A POST-POSITIVIST QUALITATIVE STUDY OF
PHILANTHROPIC DONORS TO APPALACHIAN OHIO

DISSERTATION

Presented in Partial Fulfillment of the Requirements for
the Degree Doctor of Philosophy in the
Graduate School of The Ohio State University

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* * * * *

The Ohio State University
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ABSTRACT

The 29 county region of eastern and southern Ohio designated as Appalachia held only 2% of the endowed foundation assets in the state while housing 12% of the population and 16% of the poverty. Consequently, there were insufficient assets to carry out the work of the nonprofit sector in the region.

The purpose of this study was to identify, examine, and understand the motives and criteria of donors for making philanthropic gifts to Appalachian Ohio. My intent was for the knowledge garnered from this study to be of value to those working in Appalachian Ohio to expand philanthropic giving and, eventually, endowed assets in the region.

A post-positivist qualitative study was conducted. Working through 7 of the region’s community foundations that held assets in excess of $1 million, 10 philanthropic donors were identified and interviewed. For the purposes of triangulation and crystallization, other methods utilized included member checks, peer debriefing, and reflexive journaling. Finally, a grounded survey was completed by 14 community foundation professionals from within the region. The information generated provided a means of checking for converging and diverging information.

As a result of the research, several themes emerged regarding donors and their giving: influences, connectedness, and gifts. In concert with other studies, the results indicate that family and religion are key influences of people’s giving. Philanthropic donors are connected to something larger than themselves. In addition to family and religion, community is a strong point of connection. Involvement in organizations and activities is also a means of connecting. Finally, donors proposed telling the story as a means of connecting others in the community with the power of philanthropy.

The gift process includes 3 key components: the ask, the decision making, and the thank you. The ask for a gift should be personal and made by the right person at the right time. The decision making process is careful, thoughtful, and analytical. Through their gifts, philanthropic donors seek to meet their
interests and accomplish tasks that they are unwilling or unable to do themselves. To complete the gift, a thank you is imperative, as it not only ends one gift cycle but also serves as the beginning for the next ask. Also emerging from the data was a sense of hope; a vision of a brighter future for the Appalachian Ohio region.

The data collected from community foundation professionals via the grounded survey converged with the thoughts of the donors with 3 notable exceptions. First, professionals failed to truly comprehend the important of the ask, at least from the perspective of the donors. Second, the task of completing personal mission through giving was not seen by the professionals. Last, the decision to make a gift was not seen by community foundation professionals to be an investing decision.

Drawing on the data collected, the literature, and the analysis conducted, major conclusions reached included: philanthropic donors are ordinary people; stories of giving need to be told; professional advisors are a secondary, rather than primary, route to donors; and community foundations must be more welcoming.
DEDICATION

This work is dedicated to the memory of my grandparents:

Harold Watts Wetherholt
The Ohio State University Class of 1922

Coell Jividen Wetherholt
The Ohio State University Class of 1924
ACKNOWLEDGMENTS

As with any major task, many people played key roles in completing this dissertation. First is my husband, Frank, who provided solid encouragement, unconditional love and support. I appreciate all the tasks he performed in order to provide me with the time and energy needed to fulfill this dream. This was truly a joint effort. Thanks, dear!

Our children also were great cheerleaders during this adventure. Thanks to: Kacie, who shared her living quarters; Teri, who wondered why her Mom didn’t just have a normal mid-life crisis and buy a sports car; Ann, who looked the other way when I brought studying along while attending functions where the OU 110 performed; and Russell, who walked in on the middle of this journey and provided support although understanding may have been difficult. To each of you, thanks for your encouragement and the honor of being your Mom.

My colleague, peer debriefer, and friend, Dean Schooler, provided gentle nudging and helpful feedback during the entire journey. In addition, he created a working environment that allowed this journey to take place. Without his unselfish sharing of my professional time and his own dedication to philanthropy and Appalachian Ohio, I may never have taken the first step.

Much appreciation goes to Garee Earnest, my adviser, who kept me on track. Thanks for keeping me focused, for helping me through the OSU network, and for allowing me the privilege to work with you, Beth Flynn, and Jill King in the OSU Leadership Center. My campus home was truly a haven as well as a fun place to work and learn. I also appreciate your academic wisdom, assistance, and patience as I journeyed through classes, candidacy examinations, research, and the dissertation.

Finally, to the philanthropic donors and community foundation professionals in Appalachian Ohio who agreed to be part of this work, my heartfelt thanks. From your willingness to share may come new possibilities for the future of the region we call home.
VITA

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FIELDS OF STUDY

Major Field: Human and Community Resource Development

Minor Fields: Research

Organizational Behavior
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CHAPTER 1
INTRODUCTION

“To give away money is an easy matter and in any man’s power, but to decide to whom to give it and how large and when, and for what purpose and how, is neither in every man’s power nor an easy manner. Hence, it is that such excellence is rare, praiseworthy, and noble.” Aristotle

Problem Description

Philanthropy is a missing resource in communities of the 29 county region known as Appalachian Ohio. This region, situated in the eastern and southern portions of Ohio, accounts for one-third of the state’s land mass and 12% of the population but holds only 2% of philanthropic assets (Foundation for Appalachian Ohio, 2000). In addition, the Appalachian counties receive only 2% of the total giving awarded from Ohio’s philanthropic assets (Donors Forum of Ohio, 1998).

According to the U.S. Census Bureau, poverty is the state in which people find themselves when their income falls below a designated level, which has been determined to be the amount of income required to provide what is needed to live (2005). Linda Lobao, professor at The Ohio State University defined poverty as living in a society without sufficient assets to carry out normal existence within that society (Lobao, 2001). With only 2% of the state’s philanthropic assets, Appalachian Ohio’s philanthropic sector lacks the monetary capacity to carry-out the activities required to build and sustain healthy, viable communities with strong economic and civil infrastructures. The region is experiencing philanthropic poverty.

In order characterize Appalachian Ohio as being in a condition of philanthropic poverty, it is first necessary to define the role of philanthropy and to establish what philanthropy is available in the broader society, which for this study is defined as the state of Ohio. Nationally, Ohio ranks sixth in the number of foundations and 11th in the dollar value of assets held by these foundations (Ohio Grantmakers Forum, 2003). This is no small accomplishment as no national private foundation, such as the W.K. Kellogg Foundation or the Ford Foundation, is located within the state.
The Ohio Grantmakers Forum (2003) reported philanthropic statistics comparing Appalachian Ohio to the remainder of the state. Ohio was home to 2,967 grantmaking charitable foundations of which 90% were located in metropolitan statistical areas (MSA) and 119 (4%) were located within the 29 county Appalachian region. Beyond numbers of foundations, the asset comparison for the region was even bleaker, with only $264 million or 2% of the state’s $13.1 billion in foundation assets held in Appalachian counties. This lack of endowed assets and grantmaking capacity constitute philanthropic poverty. The 2003 report further stated that 84% of foundation giving was within the MSAs leaving only 16% for the remainder of the state.

Bremner (1994) defined philanthropy as that which is given “to prevent and correct social and environmental problems and improve life and living conditions for people and creatures” (p. xi). For Bremner, then, philanthropic giving and the level of poverty should be related but inversely. So, it is surprising, given Bremner’s definition, that this region of Ohio, where one-third of the residents live in poverty (National Rural Funders Collaborative, 2005), receives only 2% of the grants made by Ohio’s philanthropic institutions.

The future does not look any better. The Donors Forum of Ohio report (1998), which cited the 1998 edition of Foundations of the 1990’s: A Directory of Newly Established Foundations, reported that new foundations and new foundation assets in Appalachian Ohio were growing at a rate below the state average. From 1989 through 1997, there were 426 new foundations established in Ohio. However, only 23 (5.4%) of these were in Appalachian Ohio. These new foundations held $466 million in assets, yet the new foundations in Appalachian Ohio held only $11 million or 2.49% of the assets. Finally, grants made by the new foundations in the state totaled $27 million, of which only $469,221 (1.75%) were made in Appalachian Ohio (Appalachian Ohio, 1998).

What is the role of philanthropic assets and why is their low level a concern to those working in community and economic development as well as the field of philanthropy within the region? Philanthropy is important as it is the resource necessary for “building the bedrock institutions of American society in education, religion, and politics” (McCully, 2000, p. 20). Philanthropy is 1 of 3 sectors of economic activity. Most are familiar with the first two: the private sector (business) and the public sector (government). But in the third sector, known variously as the nonprofit, voluntary, tax exempt, or, most
commonly, independent sector lies philanthropy (Pifer, 1987). According to Pifer, in this sector, “we accomplish some of our nation’s most important purposes” (p. 122).

The independent sector carries out its work in the space known as civil society. Within this space between individuals and government, voluntary associations are formed for the purpose of promoting belongingness, inclusiveness, and diversity to increase the capacity to act (Learning About Civil Society, 1997). In civil society are “the community, social agencies, informal and formal activities such as sports clubs, volunteering, caring for neighbours, [sic] and so on” (White, 1997, p. 3).

So why philanthropy? The case can be simply stated:

If economic development requires a physical infrastructure of water mains and power lines so that factories, schools, and houses can be built, then community development requires a corresponding civil infrastructure for institutions to work, programs to function, and problems to be solved. Foundations depend on strong civil societies for their objectives to be met. If societies are weak, grant makers must invest in civil infrastructure. (Mathews, 1995, p. 42 - 43).

Therefore, philanthropy plays a central role in creating the civil infrastructure that supports the work of a civil society.

Appalachian Ohio’s philanthropic poverty is preventing the region from enlarging its civil society. Encouraging growth in the establishment of philanthropic assets and increased giving by grantmaking organizations into the Appalachian Ohio region has the potential to create a stronger, more involved community.

Purpose of the Study

The purpose of this study is two-fold: a.) to identify, examine, and understand the motives and reasoning of donors for making philanthropic gifts to Appalachian Ohio, and b.) to determine how the thoughts of philanthropic donors converge or diverge with those held by community foundation professionals within the region. My intent for the knowledge garnered from this study to be of value to those working in Appalachian Ohio to expand philanthropic giving and, eventually, endowed assets in the region.
Justification of the Study

Appalachian Ohio is experiencing philanthropic poverty. That is to say, there are insufficient philanthropic assets within the region to assist the development and maintenance of the space known as civil society. The philanthropic/independent sector has been the fastest growing sector of the economy in the United States (Ha, 2000). From 1980 through 2002, foundation assets grew three-fold (Hein, 2003). In order for Appalachian Ohio to harness part of this expansion for its own use, an understanding of why current philanthropic donors choose to share their assets in this region must be gained. How community foundation professionals perceive the motives of philanthropic donors to the region must also be understood so that areas of convergent thinking can be strengthened and divergent thinking be significantly reduced. Only with such understandings can the region then begin to effectively seek sources of philanthropic gifts and endowed assets.

Focus of the Study

The focus of this study is to understand the giving behavior of those currently identified as philanthropic donors within community foundations serving Appalachian Ohio and how these behaviors converge with and diverge from the perceptions held by community foundation professionals. Thus, the research is a post-positivist qualitative study. The approach chosen for the work is the constructivist paradigm in which reality and its multiple definitions are constructed through human interaction (Tillman, 1990).

As I was beginning to formulate this study, I reviewed and reflected upon Victor Frankl’s *Man’s Search for Meaning* (1984). One passage impressed me greatly.

> How can we dare to predict the behavior of man? We may predict the movements of a machine, of an automaton; more than this, we may even try to predict the mechanisms or “dynamisms” of the human psyche as well. But man is more than psyche. (p. 155)

The power of these lines clearly confirmed why a post-positivist qualitative study was so appropriate when researching philanthropic donors. “How can we dare to predict the behavior of man?” A
very thought provoking question. With modification by adding an adjective, the question has great potential for understanding philanthropic donors and their giving. “How can we dare to predict the giving behavior of man?” The purpose of this study is not to create a model with which to predict giving behavior. Rather, by better understanding these donors within the social context of their lives and the place to which they give, we may be able to discover clues to attracting, increasing, and retaining the philanthropic assets so vital for the future of Appalachian Ohio.

**Objectives**

The research objectives of this study were to:

1.) Identify factors that characterize why individuals donate to and within Appalachian Ohio, and

2.) Determine how those factors converge or diverge with current thinking by foundation professionals within the region.

**Definition of Terms**

The following terms, used throughout the study, are operationally defined as:

**Postpositive qualitative inquiry:** Research in which the researcher believes there is more than one reality; that the researcher and researched co-create the knowledge; the work is conducted in a natural setting; and the findings will probably be presented in the form of a grounded theory.

**Philanthropy:** A type of giving that is future-focused and works to address the root cause of problems. Philanthropy is giving and doing. It seeks to promote the common good, affects large numbers of people who are not known to the donor, and is motivated by rational thought rather than emotion. For this study, philanthropy refers to those gifts given to a community foundation to be held in trust for use now and in the future.

**Appalachian Ohio:** The 29 county area located in eastern and southern Ohio that was identified by Congress in the Appalachian Regional Development Act of 1965. Covering all or part of 13 states in the eastern United States, the Appalachian region is an area that was established to create an opportunity for future growth and development.
Donor: An individual whose contributions within the Appalachian Ohio region meet the definition of philanthropy as defined in this study.

Foundation: An entity established as a nonprofit organization, supported by an endowment and with the principal purpose of making grants to unrelated organizations or institutions. The various types of foundations include: community, private, family, operating, and corporate.

Community foundation: A publicly-supported, non-sectarian philanthropic institution with a long term goal of building permanent endowment for the broad-based charitable benefit of the residents of a defined geographic area. While some community foundations may serve an entire state, the typical service area is a county, city, or town.

Civil society: The space between individuals and government. Civil society is where individuals come together voluntarily to form associations and organizations, and to conduct the work of democracy.

Interviewing up: When an individual interviews another person who is thought to be in a higher social class, the interviewer is said to be interviewing up. Conversely, interviewing down involves an interviewer of a higher social class than the interviewee. When both parties of an interview are of the same social class, the interviewer is interviewing across.

Insider/outsider: The position of the researcher in relationship to those being researched is defined as either insider or outsider. The researcher is considered to be an insider when s/he is of the same socio-economic class, or in the same group, as the researched. On the other hand, a researcher is an outsider when s/he does not belong to the socio-economic class or group being researched.

Limitations of the Study

Recognized limitations of the study include:

1. The findings are restricted to the participants involved in the study. These participants include 10 donors to 7 community foundations serving Appalachian Ohio and the professionals of 14 community foundations within the region.

2. Results are limited geographically, to the region of Appalachian Ohio.
3. The data collected is rooted in each participant’s recounting and reporting his/her experience of philanthropic giving.

4. Analysis of the data may be shaped by the experiences of the researcher.

Assumptions

For the purposes of this study, the researcher assumed that:

1. There is more than one truth. Knowledge and reality are shaped by the experiences and perspective of the knower.

2. The researcher’s own experiences and consequent biases must be recognized as factors that grind the lens through which the data is viewed. Recognition of the dangers of interviewing up and acknowledgement of insider/outsider status are two of the precautions taken to maintain the researcher’s credibility.

3. The distribution of power within the setting of interviewing up is acknowledged as having the potential to impact the inquiry.
CHAPTER 2
A REVIEW OF THE LITERATURE

“The highest use of capital is not to make more money, but to make money do more for the betterment of life.” Henry Ford

Philanthropy is a concept without a disciplinary home (Schneewind, 1996). It is a liberal art; it is a human art. Philanthropy is a prize communities and organizations seek for its ability to provide the resources required to conduct their work and a virtue people strive to possess for its internal and external recognition. It is a word tossed about in conversations with no real common understanding as to what it truly means. Philanthropy is all around us yet it remains, in many respects, an enigma.

The purposes of this chapter are to establish a definition of philanthropy rooted in the literature and grasp its value within the concept of community, particularly the rural communities of Appalachian Ohio. The literature was reviewed for not only philanthropy and community but also other pieces thought to fit into this research: religion, community, business, economics, and government as well as Appalachian Ohio and its culture. By looking at philanthropy through these many lenses, this research hopes to develop a clearer picture of just what this phenomenon is and, particularly, how the research can inform us about the donor and donor motives.

What is Philanthropy?

Defining philanthropy is imperative because most Americans do not even know what the word means, and, for many, the word carries a negative connotation (McCully, 2000). McCully, a trustee of the Ellis Phillips Foundation, provided examples that contribute to this negative image: vague language that focuses on the negative such as nonprofit and disadvantaged; a fragmented field in which there are few collaborative ties; and a lack of national leadership in philanthropy. The Donors Forum of Ohio (1998) said “the word ‘philanthropy’ can be a little off-putting. To our modern ear it sounds somewhat arcane – like something overheard in a Victorian drawing room” (p. 1).
The root of the word is Greek, *philanthropia*, which means for love of mankind (Council on Foundations, 2000a). In 1704 a noted definition was: “a generous Love for Mankind in General or an Inclination to promote Publick [sic] Good” (Starting a Private Foundation? 1999, p. 4). This definition is still relevant today. The Council on Foundations (2000a) defined philanthropy as voluntary giving by an individual or group to promote the common good and as grant dollars given by foundations to nonprofits.

Frequently the words charity and philanthropy are used interchangeably as each involves giving and a love of mankind. Sometimes, scholars substitute other words for either philanthropy or charity. Others use the words interchangeably. Therefore, it is important to ascertain how an author is using the two words. For example, Feingold (1987) defined philanthropy as “charity, or support of the less fortunate, while patronage will be defined as the support of high culture, involving scholarship, art, science, music, and the like” (p. 156). If using Feingold’s definition, charity and philanthropy are synonymous.

Examining these previous two paragraphs, the differences in meaning surrounding the words philanthropy and charity begin to emerge. Philanthropy focuses on the common good while charity is fixed on support of the less fortunate. The writing of Bremner (1994) begins to sort out this discrepancy.

The primary characteristic of philanthropy that distinguishes it from charity is the notion of promoting the common good. Bremner (1994), distinguished historian of philanthropy, offered very clear definitions of each term:

Charity is what we give to alleviate the need, suffering and sorrow of others, whether we know them or not. Philanthropy is what is given to prevent and correct social and environmental problems and improve life and living conditions for people and creatures we don’t know and who have no claim on us. (p. XI)

Offering further support for the distinction between charity and philanthropy are Mittenthal (1999) and Pifer (1987), both of whom who talked of philanthropy as that which is given to address the root causes of societal problems rather than treat the presenting symptoms of need. Philanthropy looks not just to the present but also to the future (Pifer; Payton, 1988; Karl & Katz, 1987). Charity is also described as a private transaction between the donor and the recipient performed to alleviate current needs while philanthropy is a more public act committed to the public good (Mittenthal, 1999). Hewa (1997) offered a
slight twist to the differences between philanthropy and charity stating that charity is emotional giving and philanthropy is rational giving.

Reflecting on charity’s distinguishing characteristic of alleviating suffering and its more individual attention and immediacy, one can easily see how such giving would be initiated by the tugging at one’s heart strings and be a more emotional response. Philanthropy, on the other hand, requires more thought and visioning, looking deeper into what is causing individuals to suffer and trying to determine how resources can best be used to eliminate that cause and thus the suffering. To effectively direct philanthropic giving requires more reasoning and rational, logical thinking.

While the literature offers a variety of ways to describe philanthropy, Robert Gross (2003), the James L. and Shirley A. Draper Professor of Early American History at the University of Connecticut, offers a simple, summary definition: “Philanthropy aims to usher in a world where charity is uncommon – and perhaps unnecessary (p. 31). The differences of charity and philanthropy are shown in Table 1.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Charity</th>
<th>Philanthropy</th>
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<tbody>
<tr>
<td>Recipient</td>
<td>Individuals</td>
<td>Large numbers of people</td>
</tr>
<tr>
<td>Goal</td>
<td>Alleviate suffering</td>
<td>Promote common good</td>
</tr>
<tr>
<td>Interaction</td>
<td>Donor may or may not know recipient</td>
<td>Donor does not know recipient</td>
</tr>
<tr>
<td>Time</td>
<td>Present</td>
<td>Future</td>
</tr>
<tr>
<td>Focus</td>
<td>Symptoms</td>
<td>Root cause of problem</td>
</tr>
<tr>
<td>Action</td>
<td>Giving</td>
<td>Giving and doing</td>
</tr>
<tr>
<td>Motivation</td>
<td>Emotional</td>
<td>Rational</td>
</tr>
<tr>
<td>Source</td>
<td>Income/cash</td>
<td>Wealth/assets</td>
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Table 1: Differences between Charity and Philanthropy

Examples of charitable and philanthropic giving may be helpful in understanding how the two concepts differ. The outpouring of gifts in response to the tsunami of December 2004 would be classified
as charity. When looking at Table 1, key characteristics that bring one to this conclusion are: the goal is to alleviate suffering, the time orientation is the present, the focus is on the symptoms, the action is giving, the motivation is emotional, the recipients are known, and the source is typically income. The only characteristic that may be in question is that of recipient. Yes, there were large numbers of people but the giving was primarily focused on assisting individuals.

An example of philanthropic giving is an unrestricted gift to the endowment of a local community foundation. In examining the same characteristics, such a gift seeks to promote the common good for large numbers of people now and in the future. Because the gift is future focused, those who may be aided by the gift are not necessarily known. In addition, the availability of the gift for future use provides the capital with which the community may begin to remove or correct the cause of a problem. Typically, gifts to a community foundation are the result of more rational thinking, including consideration of long-term benefits to the community.

In looking at philanthropy for the purposes of this study, an important clarification must be noted: giving in and of itself is not the focus. Giving can take many forms. It can be a donation to support a law school or to build a wing on a hospital. But giving can be as simple as placing a weekly offering in the church plate, dropping food and clothing off at the Salvation Army, volunteering one’s time to lead a scout troop, or sharing one’s computer talents with school children. Rather, a particular form of giving is of importance for this research: those gifts that a community foundation holds in trust for use now and in the future.

History of Philanthropy in America

The roots of philanthropy run deep in the United States. The United States was initially settled on the issue of religious freedom. It is this strong religious heritage that forms a primary basis for philanthropy (Karl & Katz, 1987; Council on Foundations, 2000b). The Judeo-Christian tradition transformed philanthropy into a cornerstone of western society by way of its emphasis on self-denial, the need to provide for the poor, and the awareness of a social conscience (Feingold, 1987).
Two other important roots of American philanthropy are the tradition of mutual assistance and the representative democracy form of government. To remain democratic, citizens must learn to work together for mutual benefit and learn cooperation (Biddle, 1953). Other concepts derived from our democratic philosophy that play a role in the development of philanthropy in the United States are the ideas of limited government, individual autonomy, and pluralistic approaches to problem solving (Karl & Katz, 1987; Council of Foundations, 2000b).

Benjamin Franklin was an early philanthropist in the United States and is considered the patron saint of American philanthropy (Boorstin, 1987). He founded civic institutions, hospitals, the University of Pennsylvania and a library, all with the intent of improving the community and providing opportunities for people to help themselves (Council on Foundations, 2000b). Franklin’s giving was for the public good, future-oriented, assisted people he did not know, and affected large numbers of people. His giving was a rational act made with the notion of eliminating the root cause of people’s suffering and providing them an opportunity to create a better future.

The concept of philanthropy owes much to Benjamin Franklin’s notion that doing good is a prudent social act that ultimately benefits both the giver and the larger community. It requires that people work together to meet socially important needs not addressed by government or the private sector. (Mittenthal, 1999, p. 2)

Moving into the 1800s, philanthropy began to take on a reform flavor, supporting humanitarian causes such as temperance, abolition of slavery, capital punishment, and recognition of rights for less favored groups. “Because these reforms were often unpopular, philanthropists who championed them received as much criticism as praise, if not more” (Bremner, 1994, p. 121).

In the 1880s, charity federations began to appear. These organizations were similar to the current structure of the United Way, where several charity groups join together in an effort to reduce competition and duplication among their members. The charity federations were also trying to instill some discipline into giving by replacing casual charity with a more systematic and scientific method of distinguishing
between deserving and undeserving applicants. This was accomplished by providing registration, investigation, work tests, and counseling for those receiving aid (Bremner, 1994). Those associated with this method of giving, known as scientific philanthropy, were convinced “that spreading the gospel of self-help to the poor was a more effective way of helping them and of carrying out the religious obligation to ‘love thy neighbor as thyself’, than casual benevolence” (Bremner, p. 139).

Toward the end of the 19th century, philanthropy was strongly influenced by the great industrialists of the period, such as John D. Rockefeller and Andrew Carnegie. According to R.T. Grimm, Jr. (2002), research director for the American Philanthropist Project at the Indiana University Center on Philanthropy, their wealth was so immense that they were forced to move from what was termed retail giving, which responded to personal appeals, to wholesale giving characterized by giving that was made to umbrella organizations that determined the merit of the needs and then distributed the funds. Carnegie felt by having gained wealth, “a person became an agent of civilization and philanthropy became a tool for improving civilization while at the same time substituting for radical reforms” (Council on Foundations, 2000b, p. 2). “The best philanthropy is not what is usually called charity” noted Rockefeller and so the modern period of philanthropy began (Bremner, 1994, p. 159).

The early philanthropists, particularly Rockefeller, believed wealth was a responsibility, but felt that dispensing their fortunes in charity would do more harm than good (Bremner, 1994). In order to fulfill their responsibility, these modern philanthropists advocated establishing foundations as a way to manage “the business of benevolence, properly and effectively” (Bremner, p. 170). Consequently, philanthropy came to be organized much like the corporations that had been so successful. Foundations - the corporate organization for philanthropy - had boards of directors and provided more flexibility than the charitable trusts that were more often in use (Council on Foundation, 2000b).

Giving during this era focused on investing in education, research, and cultural institutions that were likely to “stimulate the best and most aspiring of the poor.... to further efforts for their own improvement” as Carnegie would say (Bremner, 1994, p. 159). Surviving examples of Carnegie’s philanthropy are the many libraries he established throughout the country. These gifts truly fit the
definition of philanthropy: they were forward-focused, for the common good, for large numbers of people not known to the donor, aimed at the root cause of a problem, and created out of wealth.

During the same time period of Rockefeller and Carnegie, Frederick H. Goff, lawyer, banker and civic leader, created the first community foundation in Cleveland, Ohio in 1914. This was an important step for philanthropy in the United States as it provided an opportunity for individuals of various means to leave a legacy by way of contributing to pooled funds for the good of the community (Back to the Future, 2001).

By 2003, there were 77 community foundations in Ohio. These foundations held assets valued at more than $3.32 billion and distributed $241 million in grants in 2002, a record high. The Cleveland Foundation, the second largest community foundation in the country, has $1.3 billion in assets (Ohio Grantmakers Forum, 2003).

Like many good things, foundations and philanthropy went through a period of misuse in the 1950s and 1960s. During this time, many private foundations were established for the purpose of taking advantage of the tax laws for the benefit of the donors, their families, and businesses. These philanthropic organizations were viewed as an instrument for concentrating wealth and power and evading taxes (Bremner, 1994). In addition, “many foundations established during this period were for the promotion of conservative doctrines in education and to influence public opinion on economic and social policy along conservative lines” (Bremner, p. 173). This trend had a huge impact on the resurgence of conservatism.

In the 1960s, foundation giving grew rapidly (Foundation Giving, 1999). Factors such as economic growth, the expansion of the middle class, and pent-up demand for capital projects at colleges and other institutions fueled this increase in giving (Billiterri, 2000). Philanthropy was riding high on a false sense of security, which became apparent in the 1970s as economic conditions weakened, inflation raged, and asset bases shrank. Just prior to the end of the ride in the 1960s, and in response to the use and misuse of foundations, government intervention into the world of philanthropy. The Tax Reform Act of
1969, for example, set strict rules for foundations, such as requiring a minimum payout of funds as grants, an annual excise tax on investment income and diversification of holdings, in hopes of curbing future abuse (Billitteri).

By the latter part of the 1970s, the foundation world had built alliances and formed coalitions with the intention of constructing “a bulwark against future critics” (Barry, 2000, p. 23). Through the 1980s and 1990s the outlook was strong for foundations as the stock market soared along with foundation assets and their capacity for making grants. There was a reduction in government regulations that further prompted increased giving to, and by, foundations (Foundation Giving, 1999).

At the close of the 20th century, giving was at a new peak. During the year 1999, Americans donated $190 billion, which is equivalent to one-third of the domestic federal budget (Dyer, 2000; Greenfeld, 2000). This was a $16 billion increase from the previous year.

Giving by individuals, corporations, bequests, and foundations constitute private philanthropic giving as reported by the Foundation Center. When looking at the distribution of private philanthropic giving for 1997, foundations’ gifts accounted for the highest share of private philanthropic giving since 1970, or 8.8%. Individuals’ gifts provide 78% of total private philanthropic giving, of which over 60% is for the benefit of religious congregations. If gifts to religious institutions were excluded, foundation giving was close to 20% of private philanthropic giving (Foundation Giving, 1999).

According to foundation administrators, this surge in giving was a result of three primary factors: a.) a powerful economy, b.) the trillion dollar generational transfer of wealth from the World War II generation to the baby boomers, and c.) a new generation of givers who were discovering philanthropy’s emotional and spiritual rewards as well as its tax benefits (Boudreau, 2000). Karoff (2000), founder and chairman of The Philanthropic Initiative (TPI), offered another perspective:

Over the past few years it has become clear to those of us involved with TPI that we are drawing closer to a philanthropic big-bang pulled by two forces. One force is the money, more than any other generation on earth has seen, and the other is the mood, the disposition to support, of so many Americans who have become seekers of meaning in
Within this surge of giving there was an emergence of new large donors as a result of the phenomenal wealth created from the growth of high-tech, dot-com enterprises (Whitford, 2000). This new wave of donors brought a fresh approach: venture philanthropy.

Venture philanthropy is defined as a new way to fund and support the nonprofit sector that borrows from the venture capital model (Morino, 2000). Under the venture model, philanthropists look to be more than just donors; they want information and involvement. These donors want to be for nonprofits what capitalists are for businesses: funders, strategy consultants, media advisors, tech experts, and headhunters. They borrow strategies and techniques from the for-profit model of operation and use whatever it takes to build more effective organizations (Whitford, 2000). “Philanthropy with an attitude” is how Craig Newmark described this new philanthropic look (Guttman, 2000, p. 6). Thinking back to the early 1900s and the era of the great industrialists/philanthropists, there appear to be similarities between the old and new paradigms. These include the use of philanthropy as a means to distribute significant fortunes and the utilization of business models to carry out that work.

More recently, philanthropy was faced with a situation similar to that of the 1970s. The American economy had just passed through a period of strong, rapid asset growth accompanied by record-breaking giving. This growth was followed by a slowing economy and a dramatic drop in foundation and individual asset bases due to the decline of the value of the stock markets. Consequently, this lead to stagnant or reduced giving by foundations and private donors (Anft & Wilhelm, 2002).

**Why Study Philanthropy?**

There are two primary reasons why the understanding of philanthropy is important:

♦ “…philanthropy is seen as building the bedrock institutions of American society in education, religion and politics.” (McCully, 2000, p. 22) and

♦ “Within the next 20 years, there will be an unprecedented transfer of $10.4 trillion from one generation to the next.” (New Ventures in Philanthropy, 2000, p. 2).

To better understand McCully’s statement, it is important to complete the paragraph:
Even the events of the American Revolution - Sam Adams’ conspiratorial appeal that “associations and combinations be everywhere set up,” Paul Revere’s ride, the Minutemen, the Revolutionary Army and even the Declaration of Independence itself… are… private initiatives for the public good, focusing on quality of life (McCully, 2000, p. 22).

These associations are part of what is called community, public life, or civil society, that space between individuals and government (Learning About Civil Society, 1997).

Civil society is where the work of the community takes place. It is where associations function, people come together voluntarily, and local organizations work to fulfill what were previously considered government responsibilities (Clark, 2000). Philanthropic dollars support these activities.

In short, Americans are virtually unique among the peoples of the world in recognizing two channels for attending to their civic responsibilities. Americans care for the needy in their midst and seek to provide a very broad range of public good and services in two ways. They do so both through the public sector (the state), by means of tax-supported state programs, and through the private sector, by means of voluntary contribution of money, labor, and time (private sector). (Novak, 1988, p. 15)

The second reason for philanthropy’s importance is the sheer volume of dollars involved in the anticipated intergenerational transfer of wealth from the World War II generation to their children. Paul G. Schervish, Professor of Sociology and Director of the Center on Wealth and Philanthropy (CWP) at Boston College, with John J. Havens, Associate Director of CWP, used a wealth stimulation model and projected this transfer will be somewhere in the vicinity of $40.6 trillion and $73 trillion between 1998 and 2052. From this transfer of wealth, Havens and Schervish estimated that between $10 trillion and $25 trillion will be utilized in lifetime giving and charitable requests (Schervish, 2002).

Two different barometers are helpful to put this into perspective. The estimated total giving, including individual, corporation, foundation, and bequests, reached $240.72 billion in the United States during 2003 (Giving USA 2004). This figure represented only 1% of the potential estimated by the Havens and Schervish model. The second comparison is to the federal budget. In 2003 total U.S. Federal
government outlays totaled $2.1 trillion (U.S. Government, 2005), which is only a small proportion of the estimated dollars that will be utilized in lifetime giving and charitable giving, as projected by Havens and Schervish.

The Role of Religion in Philanthropy

Americans are a very generous people. In 2003, individuals contributed an estimated $179.36 billion in charitable gifts (Giving USA 2004). Total charitable giving equaled 2.2% of the gross domestic product. By far, the largest single recipient of this giving was religion, receiving $86.38 billion or 35.88% of total 2003 contributions (Giving USA 2004). These numbers continue to support the statement F. E. Andrews (1953), former president of the Foundation Center, made: “Religion, the mother of charities” (p. 5).

Not only was religion the largest recipient of America’s generosity in 2003 but American “philanthropic giving and volunteering is dominated by those most actively involved in organized religion” (Payton, 1992, p.139). Payton went on to say that the strength of American philanthropy was its base of religious origins, values, and traditions. For all these reasons, religion was a key component for an overall examination of philanthropy.

A multitude of religions are practiced in the United States. However, for the purposes of this research, the examination was limited to Christianity. The literature on Appalachian Ohio referred to the church and its role in the social fabric of the region (Duncan 1999; Greenlee, 1993). Appalachian Ohio is predominantly Christian and because of that, its tenet of giving is of particular importance (Greenlee).

Christianity has a giving tenet, as do other major religions such as Judaism and Islam (Hyde, 1983; Penney, 2001; Zepp, 1992). Within Christianity, there are three particular frames in which to place giving: community, view of wealth, and the role of action.

The first frame, community, is the most important within the Christian philosophy of giving. Christianity centers on community (Schneider, 1996). As noted in Table 1, philanthropy is giving for the
public good, for the community. Christianity would seem likely to embrace philanthropy because of the notion of community. In Appalachian Ohio, religion and community are closely tied (Greenlee, 1993). The church provides the social network and support for its members. When people in the community face difficulties, it is the church and its members to whom they often turn (Greenlee; Duncan, 1999).

View of wealth forms the second frame. Within the Christian faith, particularly as demonstrated by early philanthropists such as oil baron Rockefeller (Collier & Horowitz, 1976), retailer Kresge (Grimm, 2001), and steel giant Carnegie (1889), wealth is a blessing and those who acquire it are stewards of that wealth.

The gospel of wealth but echoes Christ’s words. It calls upon the millionaire to sell all that he hath and give it in the highest and best form to the poor by administering his estate himself for the good of his fellows, before he is called upon to lie down and rest upon the bosom of Mother Earth. (Carnegie, p. 27)

How the wealth is dispensed is important. Hewa (1997) said the giving of wealth should be conducted in such a way as to glorify God. S. S. Kresge, retail giant and founder of The Kresge Foundation, studied philanthropy and “observed that government funding can push a religiously affiliated organization toward secularization. He gave some gifts specifically to counter such mission-drift” (Grimm, 2001, p. 68).

The last frame of note is that of action. Giving of wealth is not sufficient. The teachings of Christ require that followers take action. In the New Testament this is spelled out quite clearly in verses such as: “So faith by itself, if it has no works, is dead” (James 2:17); and “Little children, let us not love in word or speech but in deed and in truth” (I John, 3:18). Christians are called to meet human needs through education, care of the sick and the poor, and activities for social change (Braybrooke, 1998). As noted in Table 1, action is a key characteristic of philanthropic giving.

Community

Community is significant for a study of philanthropy. “Philanthropy must be a combination of a donor’s passion and community need,” stated Tracy Gary, philanthropist and heiress to the Pillsbury
fortune (Marchetti, 2000, p. 8). Philanthropic gifts work for the public good and benefit large groups of people rather than individuals, seeking to eliminate the root cause of problems. Thinking of the pieces of the definition of philanthropy previously established in this work, one begins to see that philanthropy occurs in community rather than in isolation. If community is the environment within which philanthropy works, then it is imperative to understand community.

Tradition, values, and culture play an important role in philanthropy (Schneider, 1996). Community is the place where values and virtues are reinforced. It is the place where culture is preserved and traditions maintained. “The community is the mother of society. As the community is, so will society be” (Morgan, 1942, p. 57).

Giving varies from place to place. These differences were first noted in 1893 when it was reported that philanthropists’ behavior differed by the cities in which they lived (Schneider, 1996). Andrews (1953) wrote, “giving patterns are largely built on community practices” (p. 116). More recently, Schneider (1995) cited Joseph when noting that giving varied in different parts of the country and was related to differences in values and traditions.

Continuing the trend, geographic differences in giving were reported by The Chronicle of Philanthropy in an article by Harvey Lipman (2002). Looking at giving in relationship to income using data from the IRS, the article stated that individuals in rural areas have a higher ratio of giving to income. Part of the reason for this is that individuals living in rural areas have a high rate of church participation and 60% of individual giving is for religious organizations (Lipman).

Therefore, based on patterns noted over a period of 100 years and the role community plays in philanthropy, it seems requisite to have a common definition of community. From such an understanding, one can then begin to take a closer look at the development of philanthropy and seek ways to increase philanthropic assets in particular regions and communities utilizing knowledge about the areas and their traditions, values, and culture.

There is no clear-cut answer to what is community (Biddle, 1953). When community is mentioned, each of us has a picture that comes into our mind’s eye: our home town, a small country town, a neighborhood in a large city, a professional community, the college community, a community of believers, or the community of mankind. Community is a simple word yet it has numerous meanings. In
addition, individuals understand community in his/her own way. With these different images, it is important for the purpose of studying philanthropy and its role in communities to accept a common definition of the term community.

To begin to develop a definition of community several sources from a wide period of years were reviewed. Just as Biddle (1953) declared, the literature review provided no clear definition of community. Perhaps the best starting point for understanding community is the definition offered by Morgan (1942) who defined a community as:

...an association of individuals and families that, out of inclination, habit, custom, and mutual interest, act in concert as a unit in meeting their common needs. To whatever extent common group needs are met by unified action in a spirit of common acquaintance and responsibility, to that extent a community exists. (p. 20)

A key to the definition is the word association. People must come together and form relationships. People must be able to work together. They must share a sense of identity. Neidert (1999) took the concept even further by adding that communities are places where people care for one another.

I use the writing of Swanson, Cohen, & Swanson (1979), that provided four additional dimensions to the concept of community, and built on the definition provided by Morgan. These appear in Table 2.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
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<tr>
<td>Physical</td>
<td>Buildings and patterns of land use</td>
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<tr>
<td>Economic</td>
<td>Trade, employment, degree of local industrial base and distribution of wealth</td>
</tr>
<tr>
<td>Governmental</td>
<td>Patterns by which decisions are made and implemented</td>
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<tr>
<td>Social</td>
<td>Groups and organizations, shared values, and human relationships</td>
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Table 2: Description of Dimensions of Community
The literature revealed yet another relationship between community and philanthropy. Boorstin (1987) noted the dominate spirit of American philanthropy was the preoccupation with community. In contrast to traditional European giving, “the focus of American philanthropy has shifted from the giver to the receiver, from the salving of souls to the solving of problems, from conscience to community” (Boorstin, p. 203).

Others looking to the future of philanthropy also provide evidence for the importance of community in understanding philanthropy. Curtis (1999) stated that there is a desire among individuals for a sense of belonging that he defined as a “quest for community” (p. 4). Supporting this statement was McCully (2000), who wrote of a move from an environment of individualism and separatism to one of broader collaborations and more community.

Communities within Appalachia, including those in Appalachian Ohio, typically have a social structure consisting of two layers: “the haves and the have-nots” (Duncan, 1999, p. xiii). The haves, known in sociological terms as the elites, are upper class persons who by virtue of position, resources, or education exercise power and influence within the community. Not only do the elites have power and influence but, in many communities, they are also the dominant minority. This dominant minority may be one wealthy family or several families who control and/or own many of the communities’ enterprises such as banks, retail outlets, and newspaper (Biddle, 1953).

The worlds of the haves and have-nots seldom cross, at least from the perspective that one group truly recognizes and understands the other (Duncan, 1999). It is not unusual for elites to have neither real understanding of the non-elites, ‘the have-nots’, nor the situations and conditions under which they live and work.

The importance of touching on the topic of elites and non-elites in rural communities when talking about philanthropy is two-fold. First, the environment within which a person lives and works is the environment from which the individual’s cultural tool kit is created. The cultural tool kit is the collection of “symbols, stories, rituals, and world views that we assemble as we experience the world” (Duncan, 1999, p. 189). People’s choices are made with the resources found in one’s tool kit and are shaped by one’s social world, relationships, and the context of the larger community. The group within a community in
which an individual finds him/herself is very important when looking at philanthropy because “probably no other factor has so great an influence in determining the character and amount of giving as the social group” (Andrews, 1953, p. 116).

The second reason for this look at elites and non-elites is that elites dominate philanthropy, particularly organized philanthropy. This elite imprint becomes a criticism of philanthropy. “The critics of philanthropy have thus placed the debate where it belongs, analyzing the relationship of the big foundations to the social roles of their managerial elite” (Karl & Katz, 1987, p. 4). Some concerns around this elite influence are the fostering of a conservative ideology, preventing of radical social and economic reforms, and supporting education, which “is the key to promoting an ideology that supports consensus among social classes and rationalizes the status quo” (Hewa, 1997, p. 419).

Finally, Joyce (1994) noted that elites prefer professional bureaucracies because of their neatness and rationality. There is a preference for the idea of citizen as voter rather than as participant because voting is neat and leaves the work of government to the professional, who would be of the elite class and philosophy. The absence of the citizen as participant would eventually lead to the demise of civil society.

Business and Philanthropy

An economic base was established as one of the four primary dimensions of a community. Businesses and industries located in or near a community form its economic base and help create the community’s identity. The differing economic bases of communities across America influence the differing patterns of giving from one locality to another, as previously established in the literature.

Appalachian Ohio is a region comprised of many small communities. The area contains no entire Metropolitan Statistical Area (MSA), although part of four MSAs lie within its boundaries. In addition, there are only eight micropolitan statistical areas, defined by the U.S. Office of Management and Budget (2004) as communities with populations between 10,000 and 50,000, within the region. Therefore, in pursuing the study of philanthropy in Appalachian Ohio, an examination of the role businesses play in philanthropy is important, as they are a part of what makes the communities and region unique and their own philanthropic giving patterns and behavior also shape the community.
Since the advent of the Industrial Revolution in the 1700s, industrialists and businesses have been active in giving. Initially, giving was primarily charity, in that it was giving to relieve suffering, of a personal nature, and focused primarily on the symptom rather than the cause of problems. Such early forms of giving were from the industrialist rather than the industry and involved using the industrialist’s own funds to assist workers (Himmelstein, 1997).

The early history of business or corporate giving shows that it was not entirely for altruistic reasons because the industrialists often were anticipating commercial gain by providing these charitable gifts. An example of this type of giving was the railroads’ support of the YMCA. Companies would provide funds for building YMCA facilities near railroad divisional and terminal points along routes in order to provide housing for workers (Himmelstein, 1997).

During this period of early business giving, two points of controversy began to appear. The first was the question of corporate versus shareholder rights: Does the company have the right to donate shareholder dollars? The second question addressed the issue of motive for business giving: Is business giving for corporate gain? (Himmelstein, 1997)

Another phenomenon evident in this period of business giving was that of the great philanthropists, particularly John D. Rockefeller and Andrew Carnegie. Initially their giving was very paternalistic with a primary focus of helping employees (Karl & Katz, 1987). Yet the sheer size of their fortunes required them to move from a retail giving in which the donors responded to direct personal appeals to wholesale giving whereby giving was centralized and formalized through a separate organization (Grimm, 2002; Hewa, 1997). This shift in method of giving, the response of the donor to individual requests to creating a separate organization to respond to need, facilitated the move to applying the corporate structure to giving thus creating trusts and foundations.

Rockefeller adviser, Frederick T. Gates, preached the notion of scientific philanthropy that seeks to find the underlying causes of social ills and remove them rather than focusing on superficial remedies (Gremin, 2002). In 1913, Rockefeller started the Rockefeller Foundation with a contribution of $100 million (Collier & Horowitz, 1976). “The point to emphasize is that these business leaders believed that business had a responsibility to society that went beyond or worked in parallel with their efforts to make profits” (Post, Frederick, Lawrence, & Weber, 1996, pg. 41).
The industrialist form of giving continued from the Industrial Revolution into the New Deal. Toward the end of this period, World War I played a big role in the development of business giving as businesses joined individuals in their efforts of social and welfare work in support of the war (Himmelstein, 1997). In 1935, a new incentive for business giving was created when the United States Congress allowed corporations to claim a tax deduction of up to 5% of taxable income for charitable donations (Billitteri, 2000; Wulfson, 2001).

The transition to modern corporate giving occurred in the 1950s. The 1953 case in the New Jersey Supreme Court of A.P. Smith Manufacturing Company versus Barlow set aside stockholders’ complaints of companies using stockholder funds as contributions and established the right of corporations to donate dollars to a broad range of causes including those for general social and economic welfare (Himmelstein, 1997; Wulfson, 2001).

Initially, corporate giving was not intended to provide solutions to poverty, illiteracy, and other global problems. Companies wanted to improve their image and determined what better way than by focusing their giving on higher education. The thought was that in order to preserve industrial autonomy and to curb growing government influence, there was a need to support private institutions of higher learning (Royal, 1998). A speech, cited by Himmelstein (1997) and given by Irving S. Olds, then chairman of US Steel Corporation, delivered at Yale University, best sums up the sentiment of industrial leadership during the 1950s.

Capitalism and free enterprise owe their survival in no small degree to the existence of our private, independent universities. Both are not only important to each other – they are dependent upon each other…. I want to say emphatically that…every American business has a direct obligation to support the free, independent, privately-endowed colleges and universities of this country to the limit of its financial ability and legal authority. If the day ever comes when our tax-supported competitors can offer the youth of America a better education than we can – and at a lower price – we are through. (p. 20)

In the early years of modern corporate philanthropy there was no great sense of social responsibility. That changed in the 1960s and 1970s as the social movements of that period put corporations on the defensive and forced the business world to live up to the general expectations of
society. These expectations included a clean environment, a safe work place, and safe products (Carroll, 1991). Another important event affecting corporate philanthropy was the 1969 decision by the Delaware Court that broadened the justification of corporate gifts and reduced the validity of shareholders concerns over what was seen as the giving away of their dividends. In summary, the court ruled that what benefited society, benefited shareholders (Himmelstein, 1997).

One might expect that because of the increase in expectations for corporate behavior and the court ruling reinforcing the propriety of corporate contributions there would be a dramatic increase in corporate giving during the time period. However, such was not the case. A review of data from Giving USA, 1999 (Foundation Giving, 1999) showed corporate and corporate foundation giving as a percentage of total giving remained fairly constant from 1965 at 5.0% to 4.8% in 1979. Perhaps the most significant result of these two major influences on corporate giving was to prepare businesses and corporations for Reaganomics.

Through the 1980s, Reagan administration policies relative to taxation and the focus of government spending had a major influence on corporate giving. As a result of Reaganomics, government funding to nonprofits declined. This shifted the burden of responsibility of funding these organizations to corporations and businesses (Wulfson, 2001). Again looking at data from Giving USA, 1999 (Foundation Giving, 1999), corporate and corporate foundation giving grew from $1.7 billion in 1978 to $5.21 billion in 1987. Not only was this an increase in actual dollars but it was also an increase in the percentage of total giving, from 4.4% to 6.3%.

Historically, corporate giving was based on the industrial era and centered on the philosophy that society was best served by keeping the corporation at arm’s length from the work of corporate dollars. However, in the 1990s corporate philanthropy moved into the paradigm of information age giving. The philosophy of the new paradigm stated corporate giving “serves the public interest best as a catalyst for integrating the company’s products, personnel, financial power and management know-how on behalf of social change” (Smith, 1996, p. 2).

Within this philosophy there are two directions: the first is the long-term perspective asking the corporation to think more broadly in its giving; and the second is to tie corporate giving to the immediate interests of the corporation, resulting in a more strategic giving plan (Himmelstein, 1997). Supporting this
philosophy, Smith (1996) stated “the ideal philanthropy initiative is one that delivers the company as a whole as an instrument for the solution to a social problem. While serving society, such an initiative should also serve the donating company itself, helping it become more competitive” (p. 2).

As corporate giving closed out the 1990s, it was in a position very similar to that of the late 1800s. The first similarity is that of the direction of corporate giving was tied to the immediate, internal interests of the corporation. As noted earlier, in the 1800s railroads supported the building of YMCAs to house their employees. In the 1990s, cause related marketing and advertising promoted the corporation and a social cause (Wulfson, 2001). Examples include breast cancer awareness as supported by Avon and the Longaberger Company.

The second similarity is that of the industrialist giver. In the late 1800s, industrialists such as Rockefeller and Carnegie rose to greater prominence by way of their philanthropic giving. Each created large private foundations, which today still carry out philanthropic work in the name of their funders. Rising from the wealth of the technology revolution in the 1990s, new philanthropists such as Bill Gates began arriving on the scene. In 1999, Gates, and his wife Melinda, contributed three gifts totaling $16 billion to create the nation’s largest philanthropic organization, the Bill & Melinda Gates Foundation (Billitteri, 2000). Wooster (2001) noted the similarities of Rockefeller and Gates.

Himmelstein (1997) presented three points that comprise the rationale behind corporate giving. The first of these was that no corporation or business could prosper if society does not prosper. Without a vibrant environment within which to operate and provide services, a business has no market and no reason to exist. Next was the idea that corporations and businesses have an interest in supporting nonprofits to reinforce the general welfare of society and provide alternatives to government programs. An example of this was the support private higher education received through corporate philanthropy to keep state supported education at bay. Finally, Himmelstein noted that “corporate philanthropy maintains or improves the legitimacy of business by fulfilling public expectations that businesses behave in a ‘socially responsible’ way by addressing pressing societal problems as well as producing useful products, providing jobs, and paying taxes” (p. 31).

Through the history of business philanthropy are glimpses as to why businesses contribute to philanthropic efforts. First was the industrialist providing assistance to employees followed by assistance
to organizations such as the YMCA that provided services of direct value to employees and indirect gain to the company. Later, the concept of social responsibility emerged at the same time reductions in government funding put pressure on corporations and businesses to accept more of the responsibility for the support of nonprofit organizations.

Social responsibility is the sum of efforts and actions of a corporation or business to address “the needs of society as well as respecting its concerns and aspirations” (Tourangeau, 1981, p.51). In short, corporations have an obligation to be a good neighbor. Social responsibility goes beyond the dictum of Adam Smith: “It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard for their own interest” (as cited by Lenkowsky, 2001). It requires that the corporation act as a good citizen in the community within which it works.

The idea of being a good citizen is not incompatible with Smith’s notion of business looking out for its own interest. Carroll (1991) developed a 4-level pyramid of social responsibility through which businesses travel on their way to good corporate citizenship. The lowest level on this pyramid is that of economic responsibility and is the foundation upon which all other levels rest. A business must be profitable in order to survive. The second level of social responsibility is to obey the law, which is called legal responsibility. Next is ethical responsibility, doing what is right, just, and fair; avoid doing harm. The highest level of the pyramid, which can only be reached after attaining the other three levels, is that of philanthropic responsibility. This level of responsibility refers to contributing resources to the community and is what defines good corporate citizenship.

Within the literature, nine benefits that companies gain by participating in philanthropic endeavors were noted. The first is that of improved corporate image with the hopeful outcome of a positive influence on the bottom line (Himmelstein, 1997; Royal, 1998; Wulfson, 2001). Wulfson and Himmelstein also pointed to creation of consumer loyalty and improved community relations. Increased employee morale was cited as a benefit by Himmelstein and Royal. Other benefits were building product and service awareness, creating a relationship with customers (Wulfson), higher sales, greater ability to attract good job candidates (Himmelstein), and the maintenance of a healthy community needed by business (Royal).

While these sound reasonable, what documentation is there to support these claims? The Council on Foundations, in collaboration with Walker Information, Inc., released a study in 2000 that began to
measure the impact of corporate philanthropy on the business itself. The study created a score tool labeled the Corporate Philanthropy Index (CPI) that measured perceptions and attitudes of customers, investors, communities, and employees in relationship to a company’s philanthropic activity with the theoretical notion that it is the stakeholders’ perceptions and attitudes that drive business success (Walker Information, 2000).

The CPI created from this study was used in a national research project in 2002. The results of that study showed that as CPI increased, employees and shareholders showed an increase in behavioral intentions such as likeliness of continuing with the company, likeliness to recommend company offerings, and belief that the business’ reputation is excellent (Walker Information, 2002)

These findings have very practical implications for businesses. In a nutshell, “people with favorable impressions of a company’s philanthropy are more likely to invest in it, buy its wares, work there and recommend it to others” (Hobgood, 2002). Investors, customers, employees, and a good reputation are all parts of a successful business.

Although there is evidence supporting the positive effect corporate philanthropy can have on a business, corporate philanthropy is not without its critics. First and foremost is the argument that corporate philanthropy amounts to the giving of shareholders’ dollars. Wulfson (2001) cited economist Milton Friedman’s belief that “corporate officials are in no position to determine the relative urgency of social problems or the amount of organization resources that should be committed to a given problem” (p. 137).

Another criticism of corporate philanthropy is the possibility of bad press that can result from what could be construed as controversial giving (Himmelstein, 1997) or the targeting of special interest groups (Royal, 1998). An example would be contributions to Planned Parenthood, an organization that has very strong supporters as well as foes. “Caving into Extremists, AT&T Hangs Up On Planned Parenthood” was a headline that appeared nationally in reaction to gifts made by AT&T (Himmelstein, p. 2). Such notoriety can be hard to overcome. Other criticisms of corporate philanthropy are the failure to bolster the bottom line, objection to dollars going to pet projects of company executives, and a band-aid approach with hard to measure results (Royal).

Corporate philanthropy must prove its worth (Smith, 1996). The culture of corporate America still looks to the hard functions, those that drive returns on investments, and only gives a glance to the soft
functions, such as philanthropy. However, “today’s internal advocates for corporate philanthropy are convinced that corporate philanthropy adds to the competitiveness of companies” (Smith, p. 3).

**Economics and Philanthropy**

Initially, my plan for pursuing the relationship of philanthropy and economics centered on the impact that economics had on philanthropy. Examples of such inter-connectedness included how the size of the philanthropic sector affects the economy, how the economy affects giving, and how the philanthropic sector relates to the public and private sectors. However, the literature revealed intriguing economic models used in explaining giving and a different look at economies. This section of the literature review is an overview of these discoveries and their relationship to philanthropy.

The first idea explored was property, of which there are two types: gifts and commodities (Hyde (1983). The properties display four characteristics that distinguish one from another, keeping in mind that neither gift nor commodity is ever seen in a pure state (Hyde). These four distinguishing elements are differentiated by the characteristics of desirability, mode, connectivity, and debt.

The characteristic of desirability for gifts is worth, which expresses how the item is prized and how much it is worth to the possessor. Value, defined as the exchange value or the value an item might capture on the market, is identified with commodities. Hyde (1983) used a footnote from the work of Marx to further explain this differentiation: “In all the seventeenth century, many English authors continued to write ‘worth’ for ‘use-value’ and ‘value’ for ‘exchange-value’, this being accordant with the genius of a language which prefers an Anglo-Saxon word for an actual thing, and a Romance word for its reflexion” (p. 60).

Building on this characteristic of desirability is that of mode. In the case of gifts, the mode of desirability is qualitative and the worth of a gift is described in words or emotions. For commodities, the mode of desirability can be quantified. A commodity’s value is expressed in the unit of exchange, such as dollars. Therefore, gift worth is not measurable in a tangible sense, while commodity value is.

The third identified characteristic of property is connectivity. Gifts hold a bonding power, which either precedes the gift or is created by the donation. Commodities are of a detached nature; the bond is “absent, suspended, or severed in commodity exchange” (Hyde, 1983, p. 62).
Following connectivity is the characteristic of debt, the condition of owing. The movement of gifts creates a state of obligation. Commodities, on the other hand, are associated with alienation and freedom. This is an important distinction between gifts and commodities when relating philanthropy to community. “Because of the bonding power of gifts and the detached nature of commodity exchange, gifts have become associated with community and with being obliged to others, while commodities are associated with alienation and freedom” (Hyde, 1983, p. 67). Hyde went on to note that the “conversion of gifts to commodities will have the effect of fragmenting the group, or even destroying it” (p.75). The characteristics of gifts and commodities are summarized in Table 3 below:

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Gift</th>
<th>Commodity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desirability</td>
<td>Worth</td>
<td>Value</td>
</tr>
<tr>
<td>Mode</td>
<td>Qualitative</td>
<td>Quantitative</td>
</tr>
<tr>
<td>Connectivity</td>
<td>Bonded</td>
<td>Detached</td>
</tr>
<tr>
<td>Debt</td>
<td>ObligationAlienation, freedom</td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Summary of Gifts and Commodities

After defining the characteristics of property, Hyde (1983) then moved on to economies, of which he defined two: gift and market. Gift economies operate under three obligations: the obligation to give, the obligation to accept, and the obligation to reciprocate (Hyde). To give, to accept, and to reciprocate require momentum created by the movement of the property. The movement is important because as a gift moves, as it is passed along, it remains abundant and increases in value (Hyde).

Adding support to the notion of gift economy was Goodwin (1994), who wrote “in a gift economy, goods and services are not assigned specific value, and the act of exchange is more important than the item exchanged” (p. 43). Writing further on the phenomenon of movement in a gift economy, he noted that a gift requires one in return.
Market economies, on the other hand, are based on reaching and maintaining equilibrium. Through the use of value and scale, transactions are a balancing act. The objective is to earn profit. Market economies are self-oriented and leave no room for connection.

Hyde (1983) emphasized that where the market rules, the fruits of a gift exchange are lost. The dimensions of property associated with gifts: connectivity, obligation, and worth, disappear. When that happens, “commerce becomes correctly associated with the fragmentation of community and the suppression of liveliness, fertility, and social feeling” (p. 38). In addition, “because of the bonding power of gifts and the detached nature of commodity exchange, gifts have become associated with community and with being obliged to others, while commodities are associated with alienation and freedom” (pp. 66-67).

A second economic model used in understanding philanthropy is that of rational philanthropy, reflective of the rational choice theory, which is a decision-making and choice behavior model often applied to the marketplace. A contemporary way of summarizing rational choice theory is decision making based on “seeking the most bang for the buck” (Jacoby, 2002, p. 8).

Ulibarri (2000) applied the notion of rational choice to philanthropy. The model examines “where cultural capital and aesthetic preferences advance through neoclassical investment behavior” (p. 136). The concept of rational philanthropy seeks the best placement of assets, whether in market investments or social investments, to provide the greatest value to future generations (Ulibarri). Under this model, philanthropic decisions vary depending on changes in capital market opportunities. A potential donor weighs the projected value of an investment in a market instrument versus the investment in a social instrument. The question to the donor then becomes one of which opportunity will provide future generations with the greater value: the projected increase derived from the market or the aesthetic value generated by the use of the gift.

Rational choice is further discussed by Frank (1996) as he examined The Kahneman-Tversky Value Model, which argued that instead of looking at the positive effect on total wealth, more importance is attached to loss. “People evaluate alternatives not with the conventional utility function of rational choice theory, but instead with a value function defined over change in wealth” (Frank, p. 138). Incrementally, changes in value are greater when looking at loss than at gain.
Frank (1996) also referred to work by economist Thaler, who noted that use of the rational choice model would indicate that sunk costs would be ignored when making gifting decisions. Not so, according to Thaler. Looking at opportunity costs versus out-of-pocket costs, people tend to code the expense (out-of-pocket) as a loss and an opportunity cost as a foregone gain (Frank).

An altruistic model suggests that people give “because they get utility from the level of public good which donations purchase” (Harbaugh, 1998, p. 271). Using this model and its predictions, voluntary contributions would be shoved aside by government expenditures because only the richest would contribute and average donations would approach zero, yet neither of these predictions is commonly observed (Harbaugh).

The concept of rational choice in regards to philanthropy begins to place doubt on the notion that people give for purely altruistic reasons. Instead, people give for internal and external recognition. Internal recognition is termed warm glow, which is a positive feeling or self-satisfaction from gifting. Prestige is the external recognition, the public knowledge and social approval bestowed upon a donor for his/her gift (Harbaugh, 1998).

Therefore, based on the models examined here, donors are not necessarily being altruistic when making gifts. One observation is that through giving the fulfillment of a personal need for a type of recognition is being purchased. The second observation is that the choice to give is made on the basis of maximizing future benefit. In some cases this means of gift determination focuses on wealth maximization and in others, it looks at loss without reference to opportunity costs.

*Government and Philanthropy*

It is in the third sector of our society, called the ‘independent sector’, where “we accomplish some of our nation’s most important purposes” (Pifer 1987, p. 122). The roles and work of this sector are essential to the maintenance of an open, free, and dynamic society. Pifer further explained more clearly the importance of the independent sector:

The importance of the philanthropic contribution is out of all proportion to its size, because it provides that very margin of uncommitted income that allows the independent sector to be independent and thereby to perform its many vitally important roles in our national life - roles
such as serving as an effective critic of, and a restraining influence on, the governmental and business sectors, encouraging individuality, providing a sanctuary for unorthodox opinion and freedom of expression, being a watchdog for the nation by calling the public’s attention to wrongdoing and dangerous practices, setting and enforcing professional standards in a number of fields, providing variety and choice in the arts and education, serving as the locus for truly independent research uncontaminated by the political process, and, most importantly, providing a margin for experimentation and innovation. (p. 130)

The independent sector carries out these roles in the space between individuals and government known as civil society. This space is where associations are formed to promote belongingness, inclusiveness, and diversity and to increase the capacity to act (Learning about civil society, 1997). Also found in this space of civil society is “the community, social agencies, informal and formal activities such as sports clubs, volunteering, caring for neighbours, and so on” (White, 1997).

Why is civil society important and how is its importance related to government? “Democracy feeds on the qualities of citizenship that are nourished through the institution of civil society” (Eberly, 1998, p. 141). Civil society provides the space in which relationships and institutions not created or controlled by the state can flourish. It is in this space that the community comes together to determine answers about its purpose, the right way to act and to define the common good (A Call to Civil Society, 1998). “A healthy political system is more dependent upon a strong civil society than it is capable of creating it. Healthy civic life directly nourishes a robust democracy” (Eberly, p. 23).

Alexis de Tocqueville, an aristocratic Frenchman who came to the U.S. in 1831 to study the American people and their political institutions, noted that the art of association is the first law of democracy; it is the life spring of democracy (Eberly, 1998). Why? Because civic associations harmonize, stabilize, and routinize life in democratic society.

If civil society is so important to democracy and the American way of governing, how does philanthropy impact civil society? First, philanthropy funds the independent sector that carries out its roles in civil society. The case for philanthropy can be simply stated: “Helping civil society renew itself by strengthening the capacity of communities for self-governance – that is, making the crucial choices and decisions that affect their lives – is the most critical task of philanthropy in rebuilding civil society.”
David Mathews (1995), president, CEO, and trustee of The Kettering Foundation, stated clearly why philanthropy has a central role in creating the infrastructure that supports the work of a civil society:

If economic development requires a physical infrastructure of water mains and power lines so that factories, schools, and houses can be built, then community development requires a corresponding civil infrastructure for institutions to work, programs to function, and problems to be solved. Foundations depend on strong civil societies for their objectives to be met. If societies are weak, grant makers must invest in civil infrastructure. (p. 42-43)

The second way philanthropy impacts civil society is through the funding of research. For example, in 1995 the Pew Charitable Trust funded Robert Putnam, a Harvard University professor, to conduct a study of nonprofit organizations. From that study, which he conducted in association with Francis Fukuyama of Rand Corporation, came recognition of the link “between strong social institutions and the healthy function of both democratic government and the market economy” (Eberly, 1998, p. 44). Citing Putnam’s work, Eberly also noted, “Democratic government is far more effective when surrounded by strong civic communities” (p. 44).

Pew Charitable Trust is committed to programs to strengthen government performance and civic engagement in the United States and plans to spend $5 million in the area of rebuilding social trust. Why? Eberly (1998) quoted the answer of Paul Light, director of Pew’s Policy Program: “The board became concerned that the democratic flame is burning less brightly here in the United States than perhaps we had thought” (p. 22).

Civil society is crucial to a strong democratic government as it is the place where democracy happens. Philanthropy is critical to creating a strong civil society by providing the resources required to sustain the capacity of the people to act.

Appalachia, as defined by the U.S. Congress in the Appalachian Regional Development Act of 1965, is a region made up of part or all of 13 states in the eastern United States. Beginning with the southern counties of New York, the region cuts a diagonal swath through the eastern region that extends as
far south as the northern counties of Mississippi and Alabama, with the Appalachian and Smokey Mountains forming the core of the region. The 406 Appalachian counties “were selected because they were part of a region that needed the opportunity to accommodate future growth and development” (Ohio Governor’s Office of Appalachia, 2000, p. 1).

The Appalachian region of Ohio consists of 29 counties in the eastern and southern portions of the state. These counties form an arc along the Ohio River from Columbiana County in the northeast to Clermont County in the southwest. The area’s terrain is one of hills, valleys, and natural beauty. Appalachian Ohio covers one third of the state’s land mass and is home to one of every eight Ohioans.

The economic history of the region is steeped in extractive industries, particularly coal and timber, which is typical not only of Appalachia but also of rural areas (Lewis, 1999; Lobao, 1990). Land (natural resources), labor (human resources), and capital (man-made resources) of an area are the tools used to generate wealth and improve the community creating a cycle of sustainable development. The mineral wealth, in particular, played a critical role in providing employment for the non-elites and creation of wealth among the elites (Lewis, 1999; Greenlee, 1993). Jobs were created in the coal and salt mines, and iron extraction. The coal and iron formed the foundation for steel mills, which also provided significant employment (Greenlee).

Unfortunately, the owners of the resources and the mills were absentee owners, living in other areas and possessing little or no sense of connection or social responsibility to the region that was the source of their wealth. The absentee owners exploited the region’s coal and timber and failed to reinvest the wealth generated by these resources back into the area (Duncan, 1999). Thus, the resources were extracted, the steel produced and shipped, and the resulting profits also left the region. This created an environment of overall poverty, powerlessness, substandard housing, lack of reliable transportation systems, and little local control over personal and regional destiny (Greenlee, 1993; Duncan).

Therefore, it is not unexpected that the region tends to be poorer, older, and less educated when compared to the rest of the state. To illustrate, Table 4 highlights selected counties from the different areas within Appalachian Ohio and compares key variables with the state mean (U.S. Census Bureau, 2004). These particular counties were chosen primarily because of their location within the region: Brown County
is in the southwest corner; Jefferson is in the northeast corner; Pike is in the mid-section.; and Coshocton, in addition to being my county of residence, was included because it borders northern, non-Appalachian counties.

<table>
<thead>
<tr>
<th>County</th>
<th>High school diploma</th>
<th>Poverty Rate</th>
<th>Median Household Income</th>
<th>Median Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brown</td>
<td>74.8%</td>
<td>11.6%</td>
<td>$38,303</td>
<td>35.4</td>
</tr>
<tr>
<td>Coshocton</td>
<td>78.7%</td>
<td>9.1%</td>
<td>$34,701</td>
<td>37.8</td>
</tr>
<tr>
<td>Jefferson</td>
<td>81.7%</td>
<td>15.1%</td>
<td>$30,853</td>
<td>41.6</td>
</tr>
<tr>
<td>Pike</td>
<td>70.1%</td>
<td>18.6%</td>
<td>$31,649</td>
<td>35.3</td>
</tr>
<tr>
<td>State of Ohio</td>
<td>83.0%</td>
<td>10.6%</td>
<td>$40,956</td>
<td>36.2</td>
</tr>
</tbody>
</table>

Table 4: Data of selected Appalachian Ohio Counties

The rugged terrain of the region forced settlement patterns that were not conducive to the creation of the concept of community. For example, one finds scattered small communities throughout the region. In Appalachian Ohio there are few population centers that provide people an opportunity to congregate. Furthermore, collective efforts in the region are undermined by “cultural traditions that stressed individualism, by the strength of capitalist ideology, by racism and sexism, by the lack of strong local organizations, by high illiteracy rates, and by poor transportation and communication systems” (Fisher, 1999, p. 203).

The literature outlined several characteristics typically thought of as relating to Appalachian and/or poor areas. Fisher (1999) was quite verbose in his description of traits of Appalachian Ohio people. Included in these were: individualism, racism, sexism, high illiteracy, patriotism, isolationism, family, and simultaneously exclusion and inclusion.
Several other characteristics of Appalachian people can be tied to religion. Friends, family, and church constitute the network of informal and social support within the region (Greenlee, 1993; Anft, 2003). The source of strength that sustains poor working families is also found within the church (Greenlee).

Within the Appalachia culture is a lack of future orientation (Duncan, 1999). People survive, in many cases, day-to-day and plan accordingly. Therefore, many people lack the desire and skills to think about and plan for the future.

The region also has highly stratified social classes (Duncan, 1999; Maggard, 1999; Fisher, 1999). Elites, also known as the haves, are those with resources of power, money, connections, and means of production. Local politics and economy are greatly influenced by the decisions and actions of this social group. Anger and frustration among the non-elites are created by this social structure and economic and political power. (Greenlee, 1993).

Summary

The purpose of this chapter was to establish a definition of philanthropy rooted in the literature and to grasp its value within community, particularly the rural communities of Appalachian Ohio. The key areas examined in this effort were religion, community, business, economics, government, and Appalachian Ohio and its culture.

The root of the word philanthropy, philantropia, comes from Greek and means love of mankind. When talking of giving, the words philanthropy and charity are often used interchangeably. However, they are not the same. A key difference is that philanthropy seeks to address the root cause of a problem while charity seeks to alleviate the suffering inflicted by the problem.

The roots of philanthropy run deep in America. Key to this is the country’s rich religious roots, history of mutual assistance, and democratic form of government. Benjamin Franklin was an early philanthropist having founded civic institutions, hospitals, and the University of Pennsylvania.

Through the years, philanthropy has taken many forms running the range from gifts by the extremely wealthy who establish private foundations to gifts from people of various means who share
through charity federations or community foundations. Philanthropy underwent scrutiny by the government that resulted in legislation establishing strict rules for foundations.

Philanthropy wears many labels and takes many shapes. Retail philanthropy was first used by the great philanthropists and consisted of responding primarily to individual requests. Because this was so burdensome and impractical, a wholesale approach was created whereby the gifts were given to organizations that, in turn, responded directly to the needs of the individuals. Venture philanthropy is an approach modeled after venture capitalism. In this scenario the donor seeks information, personal involvement, and to build a more effective organization.

There are two primary reasons why the study of philanthropy is important. First, philanthropy is critical to the institutions of American society. These institutions operate in the space between government and the people, a space known as civil society. Second, there is an unprecedented transfer of wealth anticipated over the next 50 years that could significantly impact giving. While estimates vary greatly, projected giving as a result of this transfer ranges from $10 trillion to $25 trillion.

Americans are very generous people. Giving and volunteering are dominated by people actively involved in organized religion. While a multitude of religions are practiced in the United States, the Appalachian region is predominately Christian, which has a giving tenet. The frames for Christian giving are: community, view of wealth, and the role of action.

Understanding community is also important when looking at philanthropy. Like philanthropy, the word can be difficult to define. For the purposes of this work, the definition established was an association of people that act in concert in meeting the common needs that center on these basic conditions: physical, economic, government, and social.

Community impacts philanthropy in different ways. Giving varies from community to community. Community is the place where culture and tradition are maintained and preserved. Tradition, values, and culture play an important role in philanthropy. The focus of philanthropy is on the public good, the community. The social structure in community is also important, as it is a person’s social group that has a strong influence on the character and amount of giving.

Since the Industrial Revolution, business has been an important piece of philanthropy but it wasn’t until the 1950’s that modern corporate giving was born. Initially, business giving was often directed at
benefiting a company’s workers. In the modern era, social responsibility and the notion of good corporate citizenship has been the driving force. While organizations and communities benefit, corporate giving is not strictly altruistic. Companies have much to gain by the sharing of their wealth. Benefits include loyal employees, stronger brand recognition, and better corporate image.

The economic component of the literature review revealed different economic models applied to philanthropy and giving. Hyde (1983) introduced the idea of gift and market economies, which operate on the characteristics of obligation and self-orientation respectively. The role of gift economies, relationship and community was also part of the discussion. Gift economies seem to create community while market economies fragment them.

Another economic model was that of Rational Man adapted for Rational Philanthropy. Based on the idea of an investor making decisions on the goal of getting the most bang for the buck, rational philanthropists make choices based on future wealth. Will the future generation be better served through market investment or social investment made in the form of a gift to a social or cultural institution?

Philanthropy is critical to the maintenance of civil society, that space between government and individuals in which the business of society is transacted. Voluntary associations, critical to democracy, operate in the space of civil society. Philanthropy is the capital with which this sector operates, making it critical to a strong civil society, which, in turn, is crucial to a strong democratic government.

Appalachian Ohio is a 29 county region situated in the eastern and southern of the state. The region tends to be poorer, older, and less educated than the rest of Ohio. Traits of the people of Appalachia include: individualism, racism, sexism, patriotism, isolationism, family, and simultaneously exclusion and inclusion. There is also a lack of future orientation. Religion is a significant part of people’s lives. The region also tends to have highly stratified social classes.

The review of the literature is illustrated in Figure 2, p. 41. Working from the inside out, this model begins with the core of the community represented by four characteristics: physical, economic, government, and social. The arrows indicate the interaction and impact these characteristics have with and upon one another. Encasing the characteristics is the circle of community as each of these parts, together, create community.
The outer circle illustrates the three sectors that are at work within the community. Public, private, and independent sectors are funded by means of capital supplied by tax dollars, private investment, and philanthropy, respectively. The sectors are not equal and, consequently, must expand and contract to accommodate any change in the other. This is one example of the fluidity of the sectors. The second example is that each sector impacts, and is impacted by, the community and the four characteristics.

While difficult to fully illustrate in a two dimensional model, there is constant movement within, among, and between the sectors, the community, and the community characteristics. A change in one component of the community circle creates a change in the others. This would occur whether the change began within the core of the community’s characteristics moving outward or within the financial sectors that support the community moving inward.
Figure 1: Community Circle

Social
- Religion
- Appalachian Culture

Physical
- Appalachian Ohio

Government
- Democracy

Economic
- Business
- Market
CHAPTER 3
METHODOLOGY

“Philanthropy is private action in public space.”  H. Peter Karoff

Introduction

Conducting research on philanthropic donors giving to Appalachian Ohio required a system, or methodology, for handling data, ideas, reflections, and discoveries. This chapter explores the positivist and post-positivist paradigms for conducting research, noting the characteristics of the paradigms, how they differ from one another, and the commonalities they share. From those understandings of the paradigms came the determination of which one was better suited for this particular study.

Exploring these paradigms allowed me to situate myself with one particular paradigm. In addition, I describe the steps taken to gather, analyze and interpret the data necessary for investigating philanthropy in Appalachian Ohio, and particularly, the philanthropic donors to the region.

Paradigm Talk

Positivist research seeks one truth, the universal principle that can be used to predict what will happen given a particular set of circumstances. This truth can be quantified, measured, and categorized. In the positivist world, truth consists of facts, which can be obtained by using the right methods. The methods are a priori, in other words, based in theory rather than observation, with the goal being to test and confirm the hypothesis (Tillman, 1990).

Objectivity, the state of being without bias or prejudice, is an important criterion for the positivist researcher. There is a distance between the researcher and the researched. The acknowledgement of the role of social context and its effect on either the researcher or the researched is absent in the positivist paradigm.
Researchers in the positivist paradigm utilize the scientific method to their work. This method guides the researcher toward the discovery of the one truth by means of a step-by-step formula:

- Statement of a problem,
- A hypothesis as to the cause of problem,
- Experiments designed to test hypothesis,
- Predict results,
- Observe results of experiments, and
- Arrive at a conclusion.

(Ary, Jacobs, & Razavich, 1996; citing Pirsig, 1974)

Understanding the assumptions of the positivist paradigm was important. The overriding theme of the assumptions, as noted by Lather (1986a), is that the natural sciences and the social sciences share common ground. First is the notion that the same aims, concepts, and methods are applicable to each science. The second assumption states that there is one truth, one reality that can be found by correct measurement. There is also the assumption that human behavior occurs in a vacuum and because of this, the one truth could be used to predict human behavior, absent of any influence of culture and history. The last assumption was that each science denies “the theory-laden dimensions of observation and the value-laden dimensions of theory” (Lather, p. 149). But how reasonable were these assumptions of positivist research when thinking about social sciences or, in this particular case, philanthropy?

Post-positivist qualitative research is an examination of how people make meaning of their lives. Its foundation is “the cumulative, trenchant, and increasingly definitive critique of the inadequacies of positivist assumptions in the face of the complexities of human existence” (Lather, 1986b, p. 63).

Post-positivist qualitative research is the overriding term given to a field of inquiry in which the researcher as observer is part of the work. In other words, the researcher is located within the world s/he is researching. This type of research transforms the world into a series of representations in the form of interviews, conversations, field notes, photographs, recordings, and memos to the self from which the researcher seeks a better understanding of that being studied (Denzin & Lincoln, 2000).

Under the umbrella-term of post-positivist qualitative research one finds the paradigms of constructivist, critical theory, and de-constructivist (Lather, 2002a). For this particular research, I found
myself situated in the constructivist paradigm. The characteristics of this paradigm state there is more than one reality, the researcher and researched co-create the knowledge, the work is conducted in a natural setting, and the findings will probably be presented in the form of a grounded theory (Denzin and Lincoln, 2000). According to Lincoln and Guba (2000), antifoundational, or the idea of fluidity in the standards by which a truth is known, is a word associated with the constructivist paradigm. Truth arises from the relationships, dialogue, and history of the community in which the researched are situated. Such was certainly the case with this research.

The writing of Janesick (2000) provided characteristics of qualitative design that melded with my thoughts on working in philanthropy in Appalachian Ohio. According to Janesick, qualitative research:

- Is holistic;
- Looks at relationships within systems of cultures;
- Is concerned with the personal, face-to-face, and immediate;
- Focuses on understanding given social settings;
- Requires the researcher to stay in setting over time;
- Demands time in analysis equal to the time in the field;
- Involves developing a model of what occurred in the social setting;
- Requires the researcher to become the research instrument;
- Incorporates informed consent decisions and is responsive to ethical concerns;
- Provides room for biases of the researcher and ideological preference;
- Allows for various forms of expression: narrative, poetic, drama (telling of the story); and
- Ongoing analysis of the data. (p. 385 – 386)

My doubts began to subside as I read this list. I felt as if these characteristics spoke directly to me. For example, focusing on understanding given social settings certainly applied to this work. The literature established that the role of place and its relationship to giving was decidedly an issue in philanthropy. One identified characteristic of the social setting in the Appalachian Ohio region was that of distinct social classes and the role of power within and between them. Power also profoundly shapes the way we look at things (Lather, 2002b), and, therefore, was an element that must be considered. It seemed logical, and
consistent with information gathered in the literature review, that there was a focus on how the social setting impacted donors and philanthropy in Appalachian Ohio.

I thought of interviews for this work - interviews of donors. That was certainly personal, face-to-face, and immediate. One of the key pieces in philanthropy is the personal ask, relating to donors on a one-to-one basis, and building relationships. Again, it seemed logical that the research take a similar path.

Within the literature of qualitative research, I frequently found references to self-knowledge of the researcher (Janesick, 2000; Harding, 1993; Fontana & Frey, 2000). In the book, Leading with Soul, authors Bolman and Deal (1995) cite a quote by Vaclac Havel, President of the Czech Republic, which provided a strong call for scientists to look at themselves:

Classical modern science described only the surface of things, a single dimension reality.
And the more dogmatically science treated it as the only dimension, as the very essence of reality, the more misleading it became. We may know immeasurably more about the universe than our ancestors did, and yet it increasingly seems they knew something more essential about it than we do, something that escapes us…. [sic] Thus we enjoy all the achievements of modern civilization that have made our physical existence easier in so many important ways. Yet we do not know exactly what to do with ourselves, where to turn. The world of our experiences seems chaotic, confusing. Experts can explain anything in the objective world to us, yet we understand our own lives less and less. (p. 7)

The idea that I could research a topic important to me while at the same time examining myself, as an individual, a researcher, and a product of Appalachian Ohio, was enticing. Reflexivity - the exercise of reviewing the researcher’s values, beliefs, and situatedness in relationship to the research at hand - is an important component of qualitative research (Gergen & Gergen, 2000). Anderson (1993) stated “I am convinced that this self-reflective method of constructing knowledge is more compelling and reliable than standard, detached ways of knowing” (p. 50). As I thought about it and my reasons for wanting to research philanthropy in Appalachian Ohio, I realized this concept of reflexivity was extremely viable.

This study must consider situatedness because it looks at a specific geographic region as well as the culture and norms within the region. Attention must be paid to capturing the nuance and complexity of the social situation. This was a study of people, why they behaved in a particular way, and what pushed or
pulled them to do so. The study was about people, and how they made meaning of their lives through
giving. Since 1989, my professional life has been spent in nonprofit, philanthropic work in the region. I
was, and continue to be, immersed in Appalachian Ohio, its culture, and the philanthropic efforts in the
region.

One last characteristic of qualitative research was critical in making the determination of the
research methodology and that was the freedom and flexibility of how to present the results. Some
qualitative researchers may use a standard form; others choose narrative, poetry, or drama. The point was:
the researcher directs the presentation.

Giving support to this notion of freedom and flexibility in presentation was Richardson (2003a),
who provided key points to consider when preparing to report the findings of qualitative research:

- Believe in the audience,
- Think about who’s going to read it,
- Will it reach the people who need it, and
- Does the work have value and meaning.

These points were important to me because the driving force for my doing this work was that it becomes a
gift to the region. The knowledge discovered by this research will, hopefully, be helpful in assisting
Appalachian Ohio in discovering and developing its philanthropic resources; resources vital to the future
viability of the region.

The research and its discoveries will only be helpful if read and understood by those working
within philanthropy and economic/community development in Appalachian Ohio. I doubted a great
academic piece would likely find its way into the reading libraries of the region. I concluded that a
research-based piece written in a language and style that people find engaging and understandable would
have a much better chance of being read by those who can make philanthropic development happen in
Appalachian Ohio than a piece written strictly for the academy.

While the differences of the two types of research have been discussed, it is also important to note
there are points of commonality between the paradigms of positivist and post-positivist research.
According to Ary, Jacobs, and Razavieh (1996) each selects a problem that is sufficient to warrant inquiry.
There is a review of the literature and development of a hypothesis. In each paradigm, the researcher must
select a research design strategy and develop appropriate instruments. Data must be collect and interpreted. To assist in the interpretation, each recommends the maintaining of a log or journal. Finally, the results of the research must be reported.

Several key points stood out in making the decision on which research paradigm would be used in this research: interviews, introspection, situatedness, making sense in terms of the meanings people bring with them, and method of presentation. Quantitative research looking at available dollars and where donors give already existed. For example, Giving USA, in partnership with The Center on Philanthropy at Indiana University, had almost 50 years of data on donors and recipients. There was some work on a quantitative model on why people give (Frank, 1996, Mount, 1996, and Steinberg & Wilhelm, 2003). But I found no qualitative studies on why donors give let alone any that focus on philanthropic donors in Appalachian Ohio. After a period of reflection, my decision became clear: post-positivist qualitative research situated in the constructivist paradigm was the right method for me and the work I planned to do.

Research Design

People known as donors within the Appalachian Ohio region were central to the study. These donors needed to be individuals whose giving fit within the definition of philanthropy. That is to say, the donors were people who gave for the future, contributed gifts that affect large numbers of people, gave for the common good, provided gifts that sought to eliminate the cause of suffering, and practiced strategic giving. Participants were individual donors and could be male or female. The place of residence may or may not be Appalachian Ohio but there had to be a direct relationship to the region as well as direct giving to or through a community foundation in Appalachian Ohio.

When conducting research involving human subjects, a review by the Institutional Review Board (IRB) is required prior to beginning the study unless the work deemed exempt. For this particular work, an Application for Exemption was filed. The study was determined to be exempt and a copy of the approved exemption application is found in the Appendix, p. 102.

The research employed a purposeful rather than random sample. The goal of purposeful sampling is to “select information-rich cases whose study will illuminate the questions under study” (Patton, 1990, p. 169). The particular strategy to be utilized was critical case sampling. In this strategy, cases (donors and
community foundation professionals) were selected for their expected ability to “make a point quite dramatically or are, for some reason, particularly important in the scheme of things” (Patton, p. 174).

There is a lot of room for freedom in selecting sample size in qualitative research and any decision must be made within the context and purpose of the study being conducted. Patton (1990) stated emphatically that “There are no rules for sample size in qualitative research” [italics from author] (p. 184). Patton went on to state “The validity, meaningfulness, and insights generated from qualitative inquiry have more to do with the information-richness of the cases selected and the observational/analytical capabilities of the researcher than the sample size” [Italics per author] (p. 185).

Ryan & Bernard (2000) cited Morse (1994) when placing a lower limit of six on the sample size in a study where “one is trying to understand the essence of the experience” (p. 780). Understanding the essence of the giving experience, why donors give to Appalachian Ohio seemed pertinent to this study. For the purposes of this study, the sample size was 10 individuals. While this number might seem small, especially in quantitative circles, for qualitative research a small sample size is seen as a means of working towards fat, thick data (Lather, 2002d).

The sample selection began with community foundation professionals within the region. As a philanthropy professional working in a family foundation located within Appalachian Ohio, I had established contacts and relationships within the field in the region, including family and community foundations. I utilized these contacts to explain the research, its importance to the region, and solicit participation of other professionals. With agreement and assistance of the foundation professionals, I created accessibility to, and credibility with, potential donor participants. A sample of the telephone call guidelines as well as the follow-up letter to community foundation professionals is found in the Appendix, pp. 103-105.

The Ohio Grantmakers Forum provided a list of known community foundations in Appalachian Ohio. My initial plans were to contact all 16 of these foundations. However, that changed in the very early stages of the work when I spoke with the professional of a small community foundation (assets of less than $1 million) in which the statement was made that they had no donors of significance that would match my requirements of givers whose gifts matched the definition of philanthropy. From that conversation, I
concluded small sized foundations were likely to be too early in their development and/or have little or no experience with philanthropic donors as needed for this study.

Therefore, only those community foundations with assets in excess of $1 million participated in the donor interview portion of the research. The region included nine community foundations that met this criteria. Of these, seven participated in the study. Of the two remaining, one had participated in the pre-pilot work and was excluded from this research. When I spoke with the executive director of the other community foundation, he said all the donors were deceased and that there would be no people matching the requirements for participation.

Peer debriefing was also an element of the research design. My colleague, Dean Schooler, Ph.D. political science, The Ohio State University, and president of the Schooler Family Foundation, continually reviewed the work and offered his advice and expertise. By including this tool throughout the data collection process, I was more likely to spot subtleties in the themes and patterns.

In all the work with participants, I maintained an awareness of ethical behavior. Informed consent, right to privacy, and protection from harm were key issues of ethical consideration. An example of the informed consent form used for interviews is found in the Appendix, p. 106.

My own degree of involvement with the group under study was also an issue. As I worked in the field and lived in the region, it was necessary for me to be very mindful of my professional involvement in the field as well as my residency and connectedness within the region and how these might be perceived by donors and community foundation professionals. While these characteristics were important for establishing my credibility they could also be seen as an avenue for divulging confidential information. I was very careful to remind all participants that confidentiality would be maintained.

An awareness of insider/outsider positioning was important. As Lather (2002d) noted, there is no such thing as a true or total insider; at best we are both insider and outsider. As a resident and practitioner in the field and region, I was an insider. As an educated woman I was somewhat of a regional outsider. Working with philanthropic donors placed me again in the outsider column, as I was working with people of more privilege than myself. Absolute care in conducting myself and this research in an ethical manner
was of critical importance not only during the research but also afterward, particularly in the realm of maintaining confidentiality. With donors, who always fear being on everyone’s mailing list, this is a vital concern.

Since those being interviewed were of higher privilege and social standing than myself, this research was considered to be interviewing up. Such a situation placed the interviewed in a position of more power. On my part, there was concern about proper dress and behavior as well as good language, and self-assurance. Would the donors view me and this work as worthy of their time? Although I have worked in the field for many years, I still become anxious when preparing to meet with donors.

In addition, access to participants when interviewing up is typically more complicated than access to participants in studies where one is interviewing across or down (Lather, 2002c). I was mindful of this potential barrier and chose to address it primarily by establishing credibility via utilization of community foundation professionals within the region.

Participants in the study agreed to one-on-one interviews. The interview format was structured/unstructured. Such a format provided the interviewer with a general guide for directing the interview while allowing the interviewee to move in directions s/he felt important. The flexibility opened the opportunity for thicker, richer data and possibilities of which the researcher was initially unaware.

Mason (2002) emphasized the importance of the structured/unstructured interview form in qualitative research. An interview is a social interaction. If there was not social interaction, then a structured interview eliciting specific responses, similar to a stimulus/response test, would be sufficient. However, qualitative research is about situatedness and utilizing the researcher as the instrument. The structured/unstructured format allowed me to follow up on clues provided by the participants during the process.

The interview questions were derived from the literature as well as my work experience in the field. I drew upon the work of Bremner (1994) - giving, charity, and philanthropy; Payton (1992) – giving and religion; Carnegie (1889) – philosophy of giving; Andrews (1953) – giving and place; Duncan (1999), Lobao (1990), and Greenlee (1993) - rural and Appalachian life, to not only develop questions but also to provide the guides by which I directed the flow of the interview as the donors shared information that related to a particular area. In addition, my professional history within the field and region was also
utilized for experiences and expertise in developing the interview questions and managing the interview process. A sample of an interview form is found in the Appendix, pp. 107-108.

Community foundation professionals were asked to select a donor(s) whose gifts were philanthropic in nature. The identified donors were contacted by the professionals and asked about their interest in participating in a study of philanthropic donors to Appalachian Ohio. If there was interest, the professional requested permission to provide their contact information to me. I would then follow-up, describe the research and their role in more detail, and establish a date for the interview. The guidelines for donor telephone calls and the follow-up letter is found in the Appendix, pp. 109-111.

In Scott County, the professional proved to be exceptionally valuable in encouraging the donor’s participation. When Donor E1 was first approached about being part of research involving Appalachian Ohio, she was reluctant. Her concern was that the research would perpetuate the unfavorable image of the region and its residents. When the Scott County Community Foundation professional explained that just the opposite was likely to occur; that the research hoped to be of value to those working in the region for the expansion of philanthropic giving, she agreed.

Biographical data on donors were also collected. The data of particular interest were: age, years in region, and education levels. This allowed for examination of additional relationships between giving and donor characteristics.

After completion of the initial interviews, participants received a transcription of their individual interviews. This phase of the research was one of the study’s examples of a member check. Participants had the opportunity to ascertain that their thoughts were correctly captured, and if not, provide clarification. This member check opened the gateway into the next phase of the research, a sharing of findings among all participants.

After the clarification of the donor interview transcripts, a summary of the emerging themes was generated. This summary, along with the individual’s own edited transcript, was sent to each participant. Participants were asked to read each piece and reflect on his/her own giving in relationship to the summary provided. I then contacted each donor to ascertain his/her reactions to the information, determine what findings were surprising, and obtain initial thoughts on how this information may impact future giving. This second member check had the potential of becoming a synergistic opportunity for donors to build
upon one another’s giving behaviors and to consider ways in which each can be catalysts for future philanthropic development in the region. A sample of the member check letter and the response form is found in the Appendix, pp. 112-113.

Further reflection brought me to consider including community foundation professionals in the region. There were two reasons why I concluded that these individuals needed to be part of the study. First, community foundation professionals are the ‘gate keepers’ for donors. In order for me to have access to and credibility with potential participants, the inclusion of community foundation professionals was critical.

Secondly, community foundation professionals also had critical insight and information to offer. One means of examining the insights of the professionals was through individual interviews. Including such a step in the methodology outline would have required travel to 14 additional communities as well as conducting 14 additional interviews. Further reflection brought me to the conclusion that this means of research was quite burdensome, particularly given the limitations of a single researcher, conducting a self-funded study within a 29-county area. While interviews of the community foundation professionals would have better reflected post-positivist qualitative research, practicality led me to choose the use of a grounded survey for this piece of the research.

After interviewing and analyzing the interview transcriptions, I had sufficient information on emerging themes to develop a grounded survey focused on the characteristics of donors and why they give within Appalachian Ohio. The survey utilized a 10-question format with answers based on a 5-point Likert scale with 5 meaning strongly agree and strongly disagree represented by 1. Questions looked at influence (family and religion), connectedness (community and involvement), the ask, investment (personal mission, impact, and investment), and the thank you. A sample of the survey is found in the Appendix, p. 114.

The survey was sent to 14 of the 16 community foundation professionals in the region, which were categorized into two groups. The first group, known as participating foundations, was comprised of those seven professionals who had arranged for interviews with donors. Community foundations from the Appalachian Ohio counties that were not part of the interview portion of the research, the non-participating foundations, comprised the second group of survey participants. The original list of non-participating foundations totaled eight. However, one of these foundations had no contact information and was
excluded, making seven non-participating foundations and equal to the number in the participating group. Foundations in each group received a cover letter, color-coded survey that had been numbered, and a self-addressed stamped envelope. Samples of the cover letters are found in Appendix, pp. 115-116.

Results of the survey were examined not only in total but also by the two groups, participating and non-participating foundations. Survey data is found in the Appendix, pp. 117-119. For each situation, the mean and standard deviation were calculated. The results were then compared to the data generated from the donor interviews.

By giving this survey to the foundation professionals, people who work with philanthropic donors on a regular basis, I created the opportunity to discover confirming or disconfirming evidence. Providing evidence of the connections and disconnections of what donors think and how professionals think donors think could be valuable information for moving the philanthropic development of the region forward. At the conclusion of the study, participating community foundation professionals received a summary of the survey results and an analysis of the research, which should be helpful in their work of enlarging philanthropic assets in local communities and the region as a whole.

Data Analysis

For the data analysis, I chose to utilize both manual and computerized methods. Why manual, especially when a computer and software program can do so much for the work? There were several reasons. First, there is recommended practice of Lather and Richardson, qualitative researchers at The Ohio State University. Each expressed that her preferred method was manual because, from her perspective, the researcher has an opportunity to become deeply immersed in the data by means of touch, sight, and manipulation (Lather, 2002e; Richardson, 2003b). I have been greatly influenced by these women and admire their work in, and commitment to, the field of qualitative research. Their seal of approval on manual data analysis was a strong, convincing factor in making the decision to do hand coding.

Another reason for including manual data analysis was a personal recognition, part of that self-reflection and self-knowledge by the researcher that is important within qualitative research. I know I am a tactile person. Touching the materials, references, and notes was important to me, my way of learning and making meaning.
The practice of two respected qualitative researchers and my own preference were the determining factors for my decision to do manual data analysis. This manual analysis consisted primarily of interview transcriptions, hand coding of transcriptions as well as the research journal, and compilation of survey results.

Even with this decision to manually code, I realized the capabilities and advantages offered by computers and qualitative software for the handling and manipulation of the data. Therefore, after an initial hand coding of data, the transcripts were coded into NUD*IST.

NUD*IST stands for Non-numerical Unstructured Data * Indexing Searching and Theorizing. This software for qualitative researchers allows for the handling of data that are relatively unstructured and difficult to reduce to numbers. Through NUD*IST the researcher can utilize tools that “assist interpretation and coding, or Indexing, Searching text or patterns of coding, and Theorizing about what’s seen and understood as the patterns become clearer” (QSR, 2002, p. 4).

By immersing myself in the data and recognizing my need to touch the materials with which I was working, I was better able to develop my understanding of the data and refine my intuitiveness when looking for patterns and themes. Utilization of the software package provided an avenue for even more complex analysis and examination of combinations that might not be caught if using only manual handling of the data. By combining personal understanding and intuitiveness with more complex combination analysis, I was able to do a thorough study of donors and their giving to Appalachian Ohio.

Establishing Trustworthiness

In the world of post-positivist qualitative research, the researcher must be prepared to establish that the data and resulting conclusions are trustworthy and dependable; worthy of attention. In quantitative circles, this concern would be addressed by establishing internal and external validity (Lincoln & Guba, 1985). However, the use of the term validity in post-positivist qualitative research is problematic. Lincoln and Guba maintained that the qualitative researchers can establish trustworthiness by creating credibility, transferability, dependability, and confirmability.
Credibility

Within qualitative research, credibility of the study is the “extent to which the data, data analysis, and conclusions are believable and trustworthy as based on a set of standard practices” (Lather, 2001). Credibility, along with validity and reliability, is “measured by the willingness of local stakeholders to act on the results of the action research” (Greenwood & Levin, 2000, p. 96).

The concept of credibility is also very important because the researcher is the instrument (Patton, 1990). Since I was interviewing up, careful thought was given to establishing credibility and a relationship with the participants. One means to accomplish this was through the method of locating participants. By working through community foundation professionals in the region to connect with the donor/participant, my credibility was confirmed through the trust and credibility already established between the donor and the community foundation. Other means of establishing credibility included: triangulation, prolonged engagement, peer debriefing, and member checks (Guba & Lincoln, 1989). These methods are discussed separately below.

Prolonged Engagement

As previously noted, in qualitative research the researcher, the observer, is part of the work. The researcher is located within the world s/he is researching (Denzin & Lincoln, 2000). I had established a prolonged engagement in Appalachian Ohio by having grown up and attended college in the region as well as by living and working in the region since 1983. In addition, since 1989 I worked within the region’s nonprofit sector including five years with a family foundation and five years working as personal business manager for a gentleman who was considered a significant donor within Appalachian Ohio.

My work within the field also included significant activities with the creation, establishment, and development of The Foundation for Appalachian Ohio as well as Appalachian Ohio Giving, a project of OSU Extension, The Foundation for Appalachian Ohio, and several foundations in the region funded by new Ventures in Philanthropy, a program of the national Forum of Regional Association of Grantmakers. These professional venues provided me many opportunities to not only meet, work with, and observe donors and philanthropic professionals but also to further establish my credibility within the field.
Triangulation and Crystallization

I created the opportunity for triangulation of data by means of several different data collection methods. According to Denzin & Lincoln (2000), “Triangulation is the display of multiple, refracted realities simultaneously” (p. 6). Donor interviews, surveys of community foundation professionals, field notes, reflexive journaling, interview transcriptions, and coding via NUD*IST provided a multitude of opportunities to display multiple, refracted realities simultaneously and establish where data converged and diverged.

While putting together the pieces of the data and establishing triangulation, I also kept in mind Richardson’s notion of crystallization, which stated that the researcher may look at the same evidence while each presents a very different picture just as looking at an object through a crystal creates very different representations of the same object (Richardson, 2000). “Crystallization provides us with a deepened, complex, thoroughly partial, understanding of the topic” (Richardson, p. 934). Therefore, I had a responsibility to ascertain whether or not a difference was truly a difference rather than the same reality through a refracted lens.

Peer Debriefing

Peer debriefing is the partnership between the researcher and a colleague in the field of study. As the researcher collects, codes, and analyzes data, the colleague, otherwise known as the peer debriefer, periodically reads through the work to date and interacts with the researcher by means of posing questions, facilitating thoughts from outside the context of the study, and testing new methodological steps as they emerge (Guba & Lincoln, 1989). This process works to keep the researcher honest and provides an avenue for reducing stress via the feedback and support offered by the peer debriefer.

My colleague, Dean Schooler, president of the Schooler Family Foundation, agreed to serve as a peer debriefer for this work. Schooler, a native of Appalachian Ohio, is nationally recognized in the field of philanthropy, a published author, a significant donor, and holds a Ph.D. from The Ohio State University.
Member checks

A member check is an opportunity for the participants in the study to review the collected data (Janesick, 2000). Member checks are “the single most critical technique for establishing credibility” (Guba & Lincoln, 1989, p. 239).

Two opportunities for member checks were built into this study. The first centered on the donors’ interviews. After each interview was transcribed, a copy was provided to the donor so that s/he could read and determine whether his/her thoughts and comments were captured and recorded accurately.

After this initial clarification, the interview data were then processed and summarized. Processing consisted of multiple readings, hand-coding, and NUD*IST coding. The data was then analyzed using text searches, established nodes, and the resulting patterns. The summary of the findings resulting from the initial analysis, as well as the clarified individual transcript, was provided to each participant. This second member check gave the participants an opportunity to read and reflect on not only their own thoughts on giving but also the key points revealed by other philanthropic donors to the Appalachian Ohio region. My goal with this member check was that donors would discover additional possibilities for giving and means of giving with the overall result being a synergistic energy centered on philanthropy.

Transferability

The readers of the study claim the transferability, or the decision that there is enough description that s/he can use (Matthews, 2002). Utilizing thick, rich data is important to the issue of transferability. Such data encourages the reader to claim the likelihood of the information provided in the study to be applicable to other situations with which the reader is familiar. A small sample size as well as individual interviews allowed for the possibility of thick, rich data. All interview participants freely talked of their giving, and in many cases revealed stories surrounding their gifts and giving philosophy. The data generated from these interviews, combined with the survey responses from community foundation professionals, and the addition of my expertise resulted in thick, rich data that would likely permit transferability of study results.
Dependability

The ability to authenticate the work is one facet of dependability (Lincoln & Guba, 1985). Establishing dependability by means of authenticating the work attests that the process fairly captures the essence of the work and the work records are accurate and can be accomplished by maintaining records in such a way that one can follow the trail of the work (Lincoln & Guba). Archived data, explained more completely under confirmability, created a reasonable audit trail that would permit others to authenticate the data and the processes that led to the researcher conclusions.

Confirmability

Confirmability is the process of “assuring that data, interpretations, and outcomes of inquiries are grounded in contexts and persons apart from the evaluator and are not simply figments of the evaluator’s imagination” (Guba & Lincoln, 1989, p. 243). The concept may also be thought of as “parallel to the conventional criterion of objectivity” (Guba and Lincoln, p. 242). Triangulation was one important piece of confirmability because it provided the researcher an opportunity to see the different realities simultaneously and how they either converged or diverged as it provided a means of establishing the integrity of the data.

Archived, organized data was also important to confirmability. By clearly, logically, and thoughtfully labeling and storing the materials, information, sources, thoughts and reflections by means of colored folders, colored pencils, electronic files, and tape files, study data could be managed and retrieved in such a way so as allow an interested party the opportunity to review the researcher’s work in order to ascertain the claimed results or duplicate the study.

Finally, I maintained a reflexive journal. The journal became an important piece of confirmability by allowing the interested party to follow chronologically the researcher’s professional and personal journey through the study. The act of journaling also provided me with a means of checking my own attitudes, beliefs, and values and balancing them with the data received from the participants and the act of my own participation.
Validity

In post-positivist qualitative research, validity takes different shapes. Lather (1986a, 1986b, 2001) talked passionately about validity and its place in qualitative research. For this work, four different types of validity were particularly appropriate: face, catalytic, process, and outcome.

The concept of face validity appears not only in post-positive qualitative research but also in positivist research and the meaning is the same: Does the process have a feel and/or look of realness? Is there a sense of authenticity about the research, the instruments used, and the presentation of results? In each case there must be the appearance of believability and reasonableness for the intend purpose.

For the purposes of this research, I was mindful of the notion of interviewing up. Face validity played a role in enhancing or destroying my credibility. How? First, the initial contact with participants had to be on a professional level. This immediately established my credibility as a researcher and the research itself. A bad start here, negating any possibility of face validity, would put the interviews and consequently the research, in jeopardy.

Next, all printed contact had to carry a look of professionalism by means of form, paper quality, structure, grammar, and correct spelling. This was true not only of the interview participants but also the foundation professionals. Each group was accustomed to working at a high level of expectation and professionalism.

During the interviews, my own appearance played a role in face validity. It was necessary that I came across as serious and knowledgeable about the topic yet approachable and conversational. Again, there was the need to remember that I was dealing with people who were of greater privilege than myself. If my appearance was not respectable, the face validity could be lost.

The remaining validity types: catalytic, process, and outcome, are part of the effort of redefining rigor for insider research (Anderson & Herr, 1999). Because this study was described being conducted as insider research based on my life-long connection with Appalachian Ohio, the inclusion of these validity points was necessary.
Catalytic validity refers to the fact that the researcher and researched are transformed by their participation in the work. This type of validity may be experienced during the research, at the conclusion, or possibly, after an extended period of time. “The most powerful practitioner research studies are those in which the practitioners recount a spiraling change in their own and their participants’ understanding” (Anderson & Herr, 1999, p.16).

Transformation was a desired outcome of this work. First, by previously stating my embracing of the qualitative research characteristic of self-knowledge and self-reflection, I accepted the possibility of personal growth as a result of this work. Journaling and reflexive examination of the journal provided an avenue for me to chart my personal evolution. Throughout the research, I experienced transformation. The way I thought about philanthropy, the region, and my own personal mission was questioned and continues to be questioned. This indicated to me that catalytic validity was present in the work.

Second, my desire was that not only would the participants be transformed by having been a part of this work but the region would also be changed by the new knowledge and understanding gained as a result of the research. However, confirming catalytic validity for participants and the region can only be done by the entities themselves and, even then, not until they have experienced the process and/or its results.

The participants had two immediate avenues for personal change. First, the interview and the opportunity to think and express one’s thoughts and actions related to philanthropic giving held the possibility of the participants experiencing a light bulb moment; a moment where something new surfaced in their thoughts. Providing a summary of the thoughts from all interviews to participants was also a potential avenue for personal change. Reviewing one’s own thoughts and then reading and comparing with those of others had the potential of generating new thoughts and insights into the participants’ own giving attitudes and behaviors.

Outcome validity is “synonymous with the ‘successful’ outcome of the research project” (Anderson & Herr, 1999, p. 16). The success of the outcome is achieved when the research creates a reframing of the issue or the generation of new questions or problems (Anderson & Herr).

While outcome validity may take a long period of time to be confirmed, it was certainly a goal of the work. By examining and developing an understanding of why current philanthropic donors to
Appalachia Ohio give within the region, and through the examination of confirming or disconfirming evidence garnered from the surveys completed by community foundation professionals, there is an expected transformation in how the work of encouraging philanthropic gifts to the region will be conducted going forward. This could come about by a variety of means: a new understanding of donors and their reasons for giving, reframing the philanthropic issue in Appalachian Ohio, or changing the way in which philanthropic gifts are sought.

Catalytic and outcome validity are situated in the future and can only be confirmed by the thoughts and actions taken of those who participate in or read this work. While goals, their realization can only be anticipated.

Some questions a reader might ask when thinking through qualitative research, particularly in trying to answer trustworthiness and validity, include:

- Has the researcher established believability of our observations of the world?
- Do these observations make sense?
- Is the work honest?
- Does the work move people to action?
- Does it provide new understanding?

As a qualitative researcher, through careful observation, recording, and analysis of the world, my obligation was to provide sufficient information and content so the reader could be satisfied with the believability of the observations and the honesty of the work. If this occurred, then I established both trustworthiness and validity.

**Bias**

As stated earlier, the researcher is the instrument in qualitative research. Therefore, an examination by the researcher of his/her philosophy, social and physical location within in the study was imperative (Janesick, 2000). I had a duty to examine myself and my bias with regard to this project and the potential impact on the results.

The physical location was easiest to identify and examine. I grew up in Gallipolis, Ohio, a small river community located within the 29 county region of Appalachian Ohio. I received my entire primary
and secondary education within the region. My roots within a family that was long established in the community were developed there and still have a strong influence in my life.

Even my undergraduate degree was earned at Marietta College, a liberal arts school located in Washington County and part of the Appalachian Ohio region. While this was an extension of my Appalachian life, it also represented the first major step beyond that cultural influence. This is where I began to meet people from many different areas of the country, to become aware of the multitude of perspectives and ways of being, and to develop ideas of my own removed from the cocoon of my hometown.

My residence is now in Coshocton County, another of the 29 counties identified as part of the Appalachian Ohio region. In this small community of approximately 13,000, my husband and I raised our family and pursued our careers. We continually struggled with balancing the ever present Appalachian influence with our broader hopes and dreams for ourselves and our children. Many times I felt as if the community’s culture would smother me, my personal identity, and this newly-created identity as a researcher.

The location was beginning to meld with my social views of the roles we were to play within our respective communities. My life in Coshocton County created what I recognized as my first strong bias about the Appalachian Ohio culture. The bias was that this is a culture with defined roles and acceptable positions for people to occupy. If you did not fit that mold, there was a definite discomfort; at least, that was my experience. As I conducted this research, I needed to be mindful of my own discomfort; the discomfort created by not being within a prescribed model. Would I put others in a particular mold? How did I view the donors, people who were likely in a higher socio-economic status than myself? How would it affect the way I went about interviewing donors?
Figure 2: Methodology Outline
CHAPTER 4

FINDINGS

“There’s a story behind every gift.”  Bobby Moser

The purpose of this study was to identify, examine, and understand the motives and criteria of donors who make philanthropic gifts to Appalachian Ohio. My desire was that the knowledge garnered from this study would be of value to those working to expand philanthropic giving, and eventually endowed assets, in the region.

Data were gathered through two avenues. First, philanthropic donors to community foundations that had assets of more than $1 million within the Appalachian Ohio region were interviewed. Donors had an opportunity to review the transcribed interviews and provide clarifying information. A summary of initial findings was also provided to donors with the objectives being to a.) create an opportunity for donors to reflect on how their own giving compared with others in the region and b.) generate synergistic energy in the region around giving by sharing examples and motivations.

Utilizing data from the interviews, a grounded survey was generated and sent to 14 of the 16 known community foundations serving the region. The two remaining foundations included one that participated in the pre-pilot research. Contact information for the remaining foundation was not current and a search produced no additional means of contact.

The community foundations labeled as participating were those foundations that secured philanthropic donors for interviews as part of this research. There were seven community foundations in this category. The other seven foundations asked to complete the survey were not included in the interview process and were labeled non-participating foundations. Surveys were returned from all participating community foundations. For the non-participating, five were returned. Of the two that did not respond, one was contacted by telephone and supplied an e-mail address. Although the survey was e-mailed,
foundation personnel did not respond. The second non-respondent had no additional contact information, nor was any found.

The study provided insight into the whys of philanthropic giving to Appalachian Ohio by current donors to community foundations within the region. The data gathered through the interviews were abundant in stories, clues, and examples of the motivations for giving; the satisfaction derived from previous gifts; the importance of community; and the impact of religion. Donors candidly spoke of the ask, or how they are approached for a gift, and the importance of who asks. Their passion for the region was not only evident and contagious but also filled with hope. By carefully and thoroughly examining this thick, rich data and comparing it with information shared by community foundation professionals by means of a 10 question survey, the study should provide those interested in encouraging greater philanthropy and growing endowed community foundation assets in Appalachian Ohio with a solid understanding of how to better go about their work.

This study was limited to the 29 county region of Appalachian Ohio. Consequently, the understanding developed may not hold for other communities and regions, or donors to other types of foundations and organizations.

A Profile of the Participants

A series of seven interviews was conducted with 10 philanthropic donors to Appalachian Ohio as arranged through the participating community foundation professionals. The community foundation professionals had responsibility for choosing the donor participants. The primary criterion was that the donors be community foundation givers whose gifts met the definition of philanthropy. The ages of the donor participants ranged from the early 50s to the mid 80s with an average age of 64.

In four cases, the community foundation professional selected individual donors for participation. Of these one-on-one interviews, there were three men and one woman. The men were married and the woman was divorced.

Three of the community foundation professionals selected married couples as the donor participants. In these cases, both donors participated in a joint interview. The donors were counted
separately. In addition, each received his/her own transcript to edit and his/her own summary of initial findings with opportunity for response.

With one exception, all donor participants were college educated. The donor participant who had no formal education beyond high school, however, was very supportive of higher education, had served on the Ohio Board of Regents, and had established a scholarship fund within one of the region’s community foundations.

Donor participants’ professions were varied. Four donor participants were entrepreneurs, although one is no longer active in the business, and operated large businesses. Of these entrepreneurs, one had married into the business but had also developed his/her own business as well. Three donors were entrepreneurs but with smaller, local businesses.

Three donor participants, one of whom is also included as an entrepreneur, were former professors and retired from two different institutions of higher learning located within the region. One donor participant was an attorney and retired judge.

All donor participants were personable and open to conversation about their giving. On more than one occasion, the interview started slowly but as comfort increased, so did the ease of the conversation. In at least four cases (E1, G1, C1, and F1), the donor participants stated that there was concern about what they could contribute to the research or what they would say about their giving. This opportunity to talk and reflect on their giving, and various peripheral components to giving, the community foundation, and the impact of this important work seemed to be not only novel but also welcomed. Once people started to open up the stories and conversation flowed.

All donor participants were very unpretentious. If you met them in a restaurant or on the street, you would not think another thing about who they were or their occupation. This is important to note for two reasons. First, I identified the interview scenario as one of interviewing up. My initial sense was that these individuals were of higher socio-economic status than I. While some were definitely of greater wealth, overall we could travel in similar circles perhaps belonging to the same professional or community groups. We would likely eat at the same restaurants and attend the same cultural events. There was not a readily apparent status differentiation. Second, I would venture to conclude that part of the reason for this unpretentiousness was the fact that the donors all had the common denominator of being associated with a
community foundation, as these foundations were created for providing an opportunity for all people to contribute to the future benefit of their community. Finally, the Appalachian culture and people’s desire to be inclusive, to not stand out, may also be a factor.

As I thought about this realization more deeply, it became apparent to me that this is more significant than it may appear on the surface. I am a middle-class, educated professional working in the field of philanthropy, and I still felt as if I would be in a situation of interviewing up; that the donor participants would, for whatever reason, be better than I, particularly in socio-economic status. Then, the comments made by Donor C1, who happens to be a trustee of a community foundation, came to mind:

Well, when you talk about being a foundation, people think: “Oh, yeah, you have to be really rich.” And some of the language: “Put in a grant application. Oh, I’ve heard of grant writers, so do I have to hire a grant writer to put in a grant application?” So, they, you know, the verbiage in the industry is perhaps a little foreign to the public. And even for me, “Well, C1, you’re going to serve on allocations.” And that would be?

I also recalled the statement by McCully (2000) that noted most Americans do not even know what the word philanthropy means, and what they do know is negative.

Three points come together that indicate the possibility of an emerging problem within the field of philanthropy: a.) the statement by McCully that people generally have a negative view of philanthropy, b.) my own feelings of inadequacy, even as a professional within the field, and c.) the comment by community foundation trustee, Donor C1, declaring she finds the language of community foundations foreign and pretentious. If those directly involved in community foundations and the field of philanthropy have feelings of inadequacy and difficulty understanding the language, to expect citizens of various means to find a community foundation a place where they can leave their legacy is problematic.

The donor participants emitted a sense of connectedness, primarily in two different areas. One of those was family, the other community. Family was central to the origination of the giving practice and setting the example of volunteering and community action. For the donor participants, it was also the space within which they modeled the practices of giving and volunteering with and for their children.

Donor participants were connected to the community through not only volunteerism, but also what can only be described as home. This is where they lived, developed businesses, had careers, raised
families, and in reciprocity, felt a need to be part of sustaining the community. One way in which they could return to the community what the community had so graciously shared with them was by participating with, and contributing to, the community foundation.

An element that was conspicuously absent from the donor interviews was the professional advisor. Overall, donor participants did not rely on a professional advisor to introduce them to giving opportunities or the value of giving in relationship to financial and estate planning. Donor C1 noted that her professional advisor said nothing to her about the community foundation although the advisor was a trustee of the local community foundation. When asked specifically if her advisor had mentioned giving and how it might fit into her financial and estate planning, Donor C1 replied “No. And I have an attorney who is actually on the community foundation board.”

The responsibility of learning about giving, tax implications, and giving vehicles was the responsibility of the donor, according to Donor B1.

Well, there’s so many ways to lower your taxes and, my guess is, if they are out there and I don’t use them, it’s not because I wasn’t eligible. It’s because I’m not smart enough. So you need to work with your accountant, you know. I haven’t gone to too many individuals that know a lot about that. I just come up with different ideas and run it by my accountants, and they fly with it and come back and give a report to me and see if this works or that works. There are 50 different ideas out there and at what point in time can an accountant, that’s working for you, but they are now trying to tell you what to do with your money. That’s different than advice. Donor B1

Donors and Influences

At the start of this study to develop an understanding of philanthropic donors who give to the Appalachian Ohio region, I assumed that family played a significant role in the lives of donors. Fisher (1999) noted that connection to family was a key characteristic of Appalachian people. In addition, family is a key piece in the network of informal and social support within the region (Greenlee, 1993; Anft, 2003). Finally, most people have heard the saying “Charity begins at home”. These three points provided the basis for linking the giving habits of today’s donors with a learned experience from their earliest days in the home and family.
Therefore, it came as no surprise when family emerged as having a large influence on the giving of the participating donors. Of those interviewed, 80% specifically talked about family and the role family played in developing and encouraging their acts of giving. Of the 80%, four were men and four were women. In relationship to the 10 donor participants, this means that 100% of the women and two-thirds of the men mentioned the role family played in the development of the practice of giving.

Of those who mentioned family as an influence, 50% specifically cited their father and/or grandfather as the source of influence within the family. Out of the four who specifically mentioned father, three were men. Only one donor, F1, mentioned the mother as the primary influence on his giving.

My father’s always been very, very generous to the community both financially, and time, and ideas and boards.  

Donor C1

This has been something that has been in my family for a while. My grandfather, on both sides, had been very strong about giving back, one was a businessman and one was a doctor, and were very strong on being part of your community and trying to help things out; active in the church.  

Donor B1

Religion emerged as a second key influence to giving. Of the donor participants, 60% spoke of religion and/or church as they talked about their giving. Those who referenced religion did so from a wide spectrum of influence. Some mentioned the simple act of putting coins in the collection plate as one of their first acts of giving. Others spoke casually of their current regular giving to the church as well as gifts to special church projects and activities.

At the opposite extreme of the spectrum, were those donors who strongly believed in tithing and the giving of money for God’s purposes. These donors also related their community giving with their religious beliefs. Donor B1 noted that based on a sermon about tithing to the church, he determined that his giving would be based on a plan of 10% to the church as well 10% to the community. He creates and implements an annual giving budget reflecting this decision.

I was in church one Sunday and the minister said, “You know, when the Bible said to give 10%, he’s not talking about sending this to the museum or the theater or something like that. He said 10% to the church.” Well, with that said, what do I do? I go back and pull out my last, how many
years of tax returns that I had and go back and one, make sure it was 10% and two, go back and find out when I wrote off theater tickets and this and that. So I made an adjustment, made a contribution and have since tried to start out with an absolute 10% goes to the church. Then I’ve been able to increase that; I’ve been able to hold it at a 20% level for 4 years where 10% goes to the church and 10% goes to charities. And it’s been an incentive, really, to say “Let’s now find good causes.” Donor B1

Donor F1 said that his giving was biblically based. “Once you tithe, you understand that this giving is very important. And that while the church is the center, there are so many other ministries, secular ministries, in the community that are worthy of support. We’re just giving it back to God’s purposes.”

Other pieces that provided influence, yet were each mentioned in less than 50% of the interviews, were the generosity of others to the donor or donor’s family at some time in their life; the impact of operating a for-profit business created an understanding of the need for nonprofit operating funds spurring giving; the example set by other individuals in a donor’s life; and pressure from individuals.

Donors and Connectedness

In all the conversations with donor participants, a sense of connectedness was very evident. This manifested itself in several different ways. First, in addition to family ties and religious affiliations, there was a strong sense of community, a feeling of being part of something larger than oneself. The second illustration of connectedness was the involvement in the community and community organizations which people demonstrated. Finally, donor participants spoke of the power of stories and of using the stories as a means of connecting the community.

Of those interviewed, only three had no personal or family connection to Appalachian Ohio prior to their arrival in the region. Professional employment brought two of the donor participants (D1 and D2) to the region. They have retired from their careers but have chosen to stay and be a part of sustainable community, which they do, in part, by means of their philanthropic giving. “This is home. We have lived here for 35 years,” stated Donor D1. The third donor participant, A1, came to the region after marrying a native son.
It’s, of course, my husband’s home, born and reared here in Maple County. I’ve adopted this area as my home. And there’s a need for those that are here to help those that are coming up. Donor A1

Feeling part of the community was a key influence to the donors’ giving within the region. Donor participant F1 spoke of “supporting the fabric of our community”. “We’re very, very much community minded people. We’re very concerned about our community” was how E2 expressed his connectedness. E1 expanded on that by noting her father loved the community, which was the reason behind creating a fund in his honor at the community foundation.

The idea of creating a sustaining community was specifically mentioned by donor D1 and reinforced by comments of other participants. Donor D1 went on to say “It’s part of forming community, contributing what you have whether it is time, talent or resources.” A1 noted that her giving was about investing in the community for the benefit of the people who reside there and the businesses which employ them.

We have a tremendous amount of people that work here that are from Maple County. And if we are to continue to be a working business here in the county, we need people that are educated; people that are enthusiastic; people that are aware of what is going on in the world. And that’s why we feel very strongly that investing in this community is so important. Donor A1

Donor B1 also mentioned the link between the community, his business, and his giving noting that the community’s people had supported his business; all that he had was a result of the community. Consequently, he had a responsibility to support the community, explaining that “…everything that I’ve got right now is because people in those areas have spent money on products that I sell.”

Involvement in the community was another strong motivator for making philanthropic gifts. In some way, all participants spoke of their involvement in the community. Volunteer service and board membership were common threads through the participants’ lives. A variety of causes and organizations were cited by the donor participants. Examples of areas of interest included children, animal care and preservation, education, agriculture, health and human services, art, and technology.

Donor participants spoke of their active involvement leading to financial contributions. “If you believe in something and if you donate your time to that, then I think there is an underlying expectation that
you give money also. You give what you can” noted Donor E1. “I think giving is, first of all, based on, to a degree, volunteerism, and then second, on interests” stated Donor A2.

Donor A1 mentioned “inviting people to participate”. Given the importance that a sense of community seems to play in philanthropic giving, this invitation to participate may be a key piece of nurturing community involvement and developing future philanthropic donors.

Another means of maintaining and enhancing connectedness was through the concept of telling the story of giving. Donor participants felt it was important and necessary for experiences related to volunteering, giving, and the impact of those actions to be shared. This was mentioned by 60% of the donor participants. As Donor A2 stated “Tell the story. That would be, to me, more important than anything else.”

There emerged two avenues for telling the story: individuals and media. The individual avenue refers to people talking one-on-one, sharing stories in informal settings. Donor C1 gave the example of sharing her philanthropic work and giving through the community foundation with friends and acquaintances. The value of simple sharing among friends was also mentioned by Donor F1.

Well, I know that there have been some funds that have come to the foundation because I was talking to some people and really just being conversational. They picked up on it and decided to move some money into the foundation, which was not my intent. We were just having a conversation. And then I became aware that words can be powerful, and so you know, I try to promote it. Donor C1

Yes, just the conversation among friends, “Oh, look at this cause” when you get together at a party or over an occasional meal. “Boy, I just saw this great place that you can give money and, boy, look at all the great things they’re doing.” That talk, that helps. Donor F1

Another means of telling the story on an individual basis mentioned by donor participants was that of gatherings of donors and potential donors. These gatherings, typically hosted by the community foundation, provided a venue for creating opportunities for connecting, sharing stories and encouraging philanthropy. They also provided a safe space for donors to share with one another the ways in which their funds were used and to share with potential donors the impact gifts have in the community.
We had a gathering last fall and invited recipients and donors and had just a very nice function. A two-hour open house that we had at the country club, just to let people know we’re here and we thank you for what you’ve done and again, just getting that word out and getting together so maybe there’d be some synergistic affect.  Donor F1

However, caution must be used when bringing together donors and potential donors. The list of invites must be well thought out and built on the known connections within the community and foundation. In response to her experience of having been extended an impromptu invitation by a community foundation trustee who just happened to walk into her business immediately prior to such a convening, Donor C1 stated:

And I went with him. There were probably 30 people there. And one of the board members got up and talked a little bit about the foundation and it was a warm, fuzzy thing. And I looked around and I thought, “You made a mistake of not putting me on your guest list because you have funds from my family.” And you know, I should have been included. You should be careful about that because it could have come off as a real offensive thing, not to be included when I felt I should have been. And really I wasn’t. I tagged along with Joe.

A broader means of telling the story is through the local media. Newspapers and radio stations in the Appalachian Ohio region hold tremendous possibility for encouraging philanthropy by using their capacity to report as a means of promoting the value of philanthropic gifts already given and utilized in their respective communities. Donor D2 stated “the media have a big role”. She noted the media need to be pro-active and seek out stories of giving and volunteerism. Telling the story is one way of educating people about the value of philanthropy.

It’s ongoing education. It doesn’t – you are not born generous. I think you learn to be generous. Donor E1

When our newspaper talks about something…it generates all kinds of interest, so people are reading the paper. And, you know, if you could get an article (on philanthropy) four times a year…it would touch a lot of people. You would think that it is just common sense but sometimes people just need things pointed out to them.  Donor C1
Among donor participants, there was acknowledgement that media must be positive as well as pro-active. Donor F1 spoke of the editor of the paper in his community. The editor congratulates and thanks the community via his signed editorials.

But the idea, I think, just spills over into other giving, attitudes of people of this community. They step up, they step up in this community. Oh definitely, yes, and even the paper picks-up on that. And, now it’s, giving, in the paper; as the editorial would say, we’re known as such a giving community. So it just feeds on itself. And so people say, Oh, is that right? and by, golly, that’s great. And they know they’re expected to give and they give. Donor F1

Donors and their Gifts

The components of the giving process that were shared by all of the donor participants were the ask, the giving decision, and the thank you. Each has a distinct role within the giving process yet each is tied to the other, forming a circuit. The ask leads to the decision of whether or not to make a gift. If a gift is made, the need for acknowledgement or thanks is created. The act of saying thank you then sets the stage for the next ask.

The process of approaching a potential donor for a gift, or the ask, is the most important part of the process. Some described it as an art form. Donor A1 noted “the ask part of it is sometimes very annoying”. Yet, all donor participants acknowledged that asking is necessary. “You have to ask. You don’t get if you don’t ask” stated Donor A2.

All donor participants agreed that a personal invitation to make a gift is key. Not only a personal invitation, but also a personal invitation extended by the right person at the right time in the right way. Gift size may also be affected by who does the asking.

Who does the asking is critical. When asked specifically if it makes a difference who makes the ask, Donor F1 replied, “If it’s a friend, yes.” An existing relationship between the donor and solicitor is imperative. This creates a situation where the solicitor can ask for a gift based on the donor’s interests, organizational involvement, and ability to make the gift. An invitation to donate extended by a friend is more likely to receive a positive response.
I probably don’t often seek organizations out, with the exception of the food pantry. And it seems to make a difference who asks. And so, if somebody I respect or admire comes and discusses a project with me, or a need, you know, I will certainly consider it, more than if somebody who I know that may be is a dishonorable business man or in his personal life or her personal life is not a good person. Or somebody who is pushy or bullish. Donor C1

I think, to me, the right way usually boils down to the individual and their understanding of me. In other words, the right person can ask and get it. The wrong person can ask and not get it. Donor A2

And sometimes the right person asks the wrong way. They get it but they won’t get any more. Donor A1.

The right time relates to the donor’s readiness to make a gift. Examples as to what could be the right time, as shared by donor participants, included the selling of a business, holding of greatly appreciated assets, and a particular event within the donor’s life that elicits a need or desire to give.

And then here it comes, and I think this is crucial, the person that asks. Here comes your buddy, or here comes…they catch you in the right mood. I think all those things make a difference. Timing, timing, timing, timing, timing. Donor E1

But you know, people really can one day not be wanting to do anything and the next day, they’re ready to give. And I don’t know what does that. Readiness is so important in asking. Knowing if they’re ready or not is so important. I’ve seen this happen where I’d never thought we’d get a nickel from somebody and then all of a sudden, here they are – my gosh, it’s just incredible what they’re going to do. I don’t know how you determine that readiness but certainly it’s a fact. It really is a factor. And, not necessary that they have it, the resources, it’s whether they’re ready. Donor E2
You can have a volunteer that knows the other person say, “You know, you need to give $100,000 to this thing” or “You need to give a million” because they know the person and know they can and know that maybe they are at the right stage in their life to do it. And I think a big part of the ask is being at the right time at the right place, because if you’re not, you will not get it no matter if the person has money or not. If they’re not in a position or they’re not comfortable because of their own personal situation that it makes sense for them to do it, for one reason or another. So I think that has to go into the mix to make it work. Donor A2

Several factors come into play when considering the right way to ask for a gift. The first, as mentioned, is that the ask be personal. At least three donor participants stated emphatically that they say no to mail and phone solicitations.

I can tell you how I do the mail. He doesn’t even see it. I just stand by the trashcan and pitch it. E1

I don’t respond to direct mail. If somebody wants my money, they’ll call me. I’ll probably ask for information back, if they’re serious. And you go through that process. Phone solicitations – zero! That’s saved me a lot of money. Donor B1

And many times, well, somebody will call on the phone and I, we, have a rule that we just never respond to phone solicitations. Donor F1

As part of the personal ask, the solicitor should not only be aware of the donor’s interests, involvement and ability to make a gift but also take into consideration previous giving by the donor. An invitation to give is much more welcomed than a pressured request.

When looking at the donors’ reflections on the ask, it becomes apparent that a gift request is tied to being part of the community. Community is the place where values and virtues are reinforced. It is the place where culture is preserved and traditions maintained. The ask is relationship dependent. Donors are much more likely to honor a gift request from a friend.
Once the ask has been made of the donor participants, the decision making process begins to develop. With all of the donor participants, it was obvious that this process is thoughtful, logical, and analytical.

And again, it goes back that we research. We want to be careful that it goes to its intended destination. Donor F1

And I think you …organize your giving. Otherwise, there are more opportunities to give – I don’t care who you are – than you have money you can give to. So you have to kind of organize it and manage it in some way. So you tend to do that within community and other things like that. I think those are real valid areas to give to; to make management decisions about who you give to. Donor A2

All the donor participants indicated or stated specifically that a potential gift must match their areas of interest. All of the donor participants mentioned the local community as a key area of interest. Donor participants want their gifts to work at home. “You give where you live” noted Donor D1.

You know, you might get something from the sheriff’s department that then you find out that the money goes to the home office in Big City and it doesn’t stay here, so you can eliminate those. Donor C1

To make a difference, I have to focus on what is really important. So that’s what I’ve been doing. And it’s locally. The cancer’s office moved out; the heart office has moved out. We’re regional. We answer to Other City. And, they’re good causes. They’re very good causes. But, I just think our local needs are greater right now. Donor E1

And so, we just kind of feel like we should share what we have with the people here, the local people here. Donor G1

This local interest had different origins among the donor participants. Donor B1 was interested in the local community because the community had supported his business. Investing in local economic infrastructure was vital to donors A1, F1, and G1.
There’s a need for those that are here to help those that are coming up. We want them to be very well versed in not only what is going on here in this area but we want them to have experience world-wide. But we don’t want them to leave and stay away from the community. We want them to go and get experience and come back. And that’s what a lot of people are doing. And we’ve got to have the infrastructure, I’m talking about the business here in southeastern Ohio, to employ these people. Donor A1

That’s something we’ll be giving to because it’s a specific project and it’s one that’s going to have great, great importance for our community – economic as well as for the performing arts. Donor F1

I’ll tell you one thing that I’ve been supporting real heavy. That’s project XYZ. And, it’s a money making thing. It’s the best thing I ever saw for the farmer. And I went ahead with the thing and provided money and we had seminars and we had people come in here and we planted grass over there and showed ‘em how it was and stuff like that. But it’s going to help these, these farmers now by doing this; it’s profitable. And these families can live on these farms and make a profit! See, nothing in my lifetime has ever happened to help the Garry County farmers like this one right here. So now, some of these farmers now, are able to live on these farms and make a living off them. Donor G1

Donor participants spoke of not only investing, but also maximizing philanthropic dollars, creating impact, and providing resources to strengthen a hand-up rather than giving a handout. To do this, donor participants indicated they do research, develop giving budgets, and take time to reflect. As expressed by Donor F1, “It’s careful, careful giving.” Giving is targeted. “I have to decide to make a difference. I have to focus on what is really important” stated Donor E1.

Another piece of the decision-making process that received mention by 50% of the donor participants was the tax effect of philanthropic gifts. When taxes were mentioned, it was not in context of being a primary decision-making criterion but rather a benefit that should be considered.
The government’s going to take it when you die. The government’s going to take a lot of it anyway. So, I say every time you give anybody any thing, the government’s going to pay half of it. So you may as well. So that’s one reason to give, because beat the government out of it, see.

But that’s not really the reason we give. Donor G1

In the case of Donor C1, she had not considered the impact of the tax benefit until she had more dollars available for philanthropic use. “I don’t think about the tax. I do now since I’m giving larger amounts of money.”

For Donor F1, the advantage of tax deductions for gifts is that it affords him the opportunity to give additional dollars. “But do give me, quietly give me, the tax deduction form because it helps us give more money.” From Donor F1’s perspective, the tax write-off allowable for gifts was also one possible source of encouragement for giving in Appalachian Ohio, included with friends, media and acknowledgements.

An interesting observation surrounding the surfacing of the tax issue in relationship to giving: of the five donor participants that mentioned taxes, four were men. The woman who spoke of taxes was divorced and was the only woman interviewed individually. Therefore, none of the women who interviewed with their husbands addressed the impact of income or estate taxes on giving. On the other hand, of the four men who spoke on this issue, only one was interviewed with his wife.

The final piece of the gift process identified by the donor participants is the thank you. All donor participants spoke very strongly about the value and power of the thank you. This importance was expressed with several different phrases: tremendously important; critical, very critical; very important to acknowledge gifts; I appreciate it (the thank you). In response to a member check, Donor G1 elaborated on the power of the thank you.

The power of the thank you cannot be measured. It is the most important part of a gift. As my wife says, “If no thank you, gifts are history”. If we give someone something, and they do not say thank you, they better not come back for another. The answer will be no. The hand-written note is not only the best way, but should be a rule in response to a gift. A thank you absolutely is critical to continued giving. I would add, the most important cornerstone to successful philanthropy is the thank you, otherwise, no giving. Donor G1
Among the donor participants, 40% stated they appreciate a hand-written thank you. The thank you is a means of nurturing donors. It is personal, serves as acknowledgement, and allows the organization to develop its relationship with the donor.

You know, a very, very gracious thank you would have been fine. I mean, people want to be massaged. You know, a personal note. I have gotten notes that said, “Your father would have been so proud of you.” Well, you know, does that pat you on the back or what? Donor C1

Other donor participants mentioned the relationship between the thank you and future gifts. “The best way to say please is to say thank you” according to Donor E1. Donor B1 simply said: “No thank you, no gifts.” The power of thanking donors may even go beyond future gifts from the particular donor. As expressed by Donor B1, the lack of thanks may ultimately affect the ability of an organization to raise funds from other individuals.

But if in fact somebody doesn’t say thank you, I would not expect to have my door knocked on again. And I’m sure not going to refer them to anybody else. Donor B1

With the passion that surrounded the thank you, the statements of its importance, and donor participant comments that the lack of a thank you jeopardizes future gifts, I find it surprising that nowhere in the literature reviewed for this study was reference made to thanking donors for gifts.

Community Foundations and Donors

In an effort to discover confirming/disconfirming evidence, a grounded survey was sent to 14 of the 16 community foundations serving Appalachian Ohio. Of the 14 mailed surveys, 12 were returned. Results were compiled and measures of mean, median, mode, and standard deviation were calculated for the surveys in total and calculated separately for participating foundations (those that secured donors for interviews) and non-participating community foundations (those foundations that did not participate in the interview portion of the research). Overall, the survey results confirm that community foundation professionals within the Appalachian Ohio region are in tune to the thinking and habits of philanthropic donors to the region, although some areas require examination. A summary of survey results is shown in Table 5. The details of the survey results may be found in the Appendix pp. 128 - 130.
<table>
<thead>
<tr>
<th>Criteria</th>
<th>All Foundations</th>
<th>Participating foundations</th>
<th>Non-participating foundations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N = 12</td>
<td>N = 7</td>
<td>N = 5</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>Std. dev.</td>
<td>Mean</td>
</tr>
<tr>
<td>Family</td>
<td>4.00</td>
<td>1.13</td>
<td>4.00</td>
</tr>
<tr>
<td>Religion</td>
<td>3.70</td>
<td>0.78</td>
<td>3.71</td>
</tr>
<tr>
<td>Community</td>
<td>4.41</td>
<td>1.16</td>
<td>4.29</td>
</tr>
<tr>
<td>Involvement</td>
<td>4.33</td>
<td>0.89</td>
<td>4.43</td>
</tr>
<tr>
<td>The Ask</td>
<td>3.75</td>
<td>1.36</td>
<td>3.57</td>
</tr>
<tr>
<td>Personal Mission</td>
<td>3.83</td>
<td>1.11</td>
<td>4.00</td>
</tr>
<tr>
<td>Impact</td>
<td>4.33</td>
<td>1.15</td>
<td>4.00</td>
</tr>
<tr>
<td>Investment</td>
<td>3.00</td>
<td>1.13</td>
<td>3.00</td>
</tr>
<tr>
<td>Thank You</td>
<td>4.67</td>
<td>1.15</td>
<td>4.43</td>
</tr>
</tbody>
</table>

Note: The scale ranged from 1 = strongly disagree to 5 = strongly agree

Table 5: Community Foundation Professionals’ Perception of Donor Criteria for Giving

Community foundation professionals in the region are aware of the influence of family. Survey results show that an understanding of the influence of family is consistent among professionals, whether they were in a participating or non-participating foundation. This is also consistent with donor participants’ views, as 80% indicated this was an influence on their giving.

The understanding of religion as an influence on donor behavior is consistent among community foundation professionals. While they agreed that it is an influence, it is not an exceptionally strong influence. Since the donor participants had such a wide range of statements regarding religion as an influence, I believe these results are confirming.

When looking at the criteria for connectedness, sense of community, and community involvement, there is strong and consistent understanding among the professionals that these are important to donors to
community foundations. I find it interesting that the smaller, non-participating foundations that are in the early stages of endowment development showed the highest mean score for sense of community. This may be a result of the smaller and/or newer community foundations’ reliance on volunteers to accomplish the work at this point in their history.

When examining the way in which community foundation professionals view how the ask fits within donors thinking, the evidence appears to be disconfirming. With mean ratings of 4.00 or less, there is not a show of agreement that this is important. In addition, the standard deviation for this criterion is the highest within the survey. When looking at the data collected on the ask from the participating versus the non-participating foundations, I find it interesting that the participating community foundation professionals have a wider standard deviation than those of the non-participating.

Given that the donor participants indicated the ask is the most important part of the gifting process, the evidence from the foundation professionals is not only disconfirming but also discouraging. In order for the region to grow its endowed assets, those actively involved in philanthropy must be willing to ask for gifts. As Donor A1 stated so succinctly “You have to ask. You don’t get if you don’t ask.” More important, community foundation professionals must be aware that the ask must be made by the right person, in the right way, and at the right time.

The criteria of impact, personal mission, and investment factor into the donors’ giving decision-making process. Community foundation professionals strongly agree that impact is important to donors. In addition, this agrees with statements made during the course of the research. Donors are looking for ways to maximize philanthropic dollars, make an impact, and provide resources that permit people to help themselves.

The professionals were not as strong in their agreement about the criteria of personal mission and gifts seen as investments, with these items having overall means of 3.80 and 3.00 respectively. Unfortunately, these findings are not in agreement with the data that emerged from the donor participant interviews. When making gift decisions, donors consider their personal interests as well as tasks they wish to see accomplished but are unable or unwilling to do themselves. Gift dollars are a means of accomplishing goals within their areas of interest and, thus, work to meet their personal mission.
The data on gifts as investment from the professionals are even less confirming of donors’ gifting actions. With a mean of 3.00, indicating no opinion, community foundation professionals in the region are completely missing the base with donors. The donor participants indicated their giving is logical, targeted, thoughtful, and analytical. As Donor F1 stated, “It is careful, careful giving.” Donors also have personal goals they wish to accomplish by means of their gifts. These characteristics are all consistent with making an investment.

The final criterion for which confirming/disconfirming evidence was sought was the thank you. The donor participants were passionate and emphatic about the power of the thank you. According to Donor G1 “The power of the thank you cannot be measured. It is the most important part of a gift.” The thank you also sets the stage for future gifts, thereby linking the thank you to the ask. Fortunately, the community foundation professionals in the region have a solid understanding of the power of the thank you. While the total mean score for this criterion is 4.60, a closer examination of the scores, as found in the Appendix, p. 128, shows that all respondents, with the exception of one, rated this criterion 5 - strongly agree.

Researcher and philanthropy

I experienced a personal revelation with regard to the influence of Appalachian culture and how it affected my own ways of thinking about philanthropy. Early in the research, I had the surprising realization that I thought of donors as men. Such a thought was very out-of-character for me and caused me to re-think the research design. I actually felt smug that I had found this bias and adapted the work accordingly.

When analyzing the data from the interviews, I noticed that only one individual mentioned the mother as a key influence in establishing the habit of giving. I went so far as to conclude that this was a result of the time-period in which the participants were raised; a time when father was the breadwinner and financial decision maker while mother was the nurturer and educator.

My own thoughts were in contradiction. I assumed that men were the donors but at the same time was surprised that fathers were the key influence to the giving habit. Why did I not even have a sliver of expectation that if fathers were the givers then fathers would also be the person of influence?
Then some of my own experiences surfaced and I began to realize this was part of the Appalachian influence in my own thinking. Men are equated with money and women with teaching. During my own childhood, dad made the financial decisions and mom was the caregiver, even though mom paid the bills and worked outside the home!

Even though my own marriage is not quite as traditional, when it comes to making significant gifts I do not take that step without first asking my husband, although he has been known to make such decisions without asking me first. What a hodge-podge of thinking! I had no knowledge that I held these conflicting thoughts and actions. Now I have a new piece of self-knowledge that needs pondered and reconciled.

The research experience also provided an awakening of another sort for me – the positives of the region. Appalachian Ohio is a beautiful part of the state and country. While driving to and from the interviews, sometimes taking the less traveled roads, I re-discovered the lovely vistas of the hills and the quiet charm of the small communities. The majestic Ohio River greeted me on several occasions and presented a grand site as it flowed south.

The people I met, both the donors and the community foundation professionals, were gracious to me as well as caring of the region. The pride in the places the donors called home was quite evident and reminded me that there is much to enjoy and value within these hills and valleys.

I was reminded of the strong history and deep family roots within Appalachian Ohio, particularly when interviewing a donor who had known my grandfather and spoke kindly of his good works within the community. The present and future are the parts of my life that I can work to mold and influence, but my past is deeply rooted within the region.

The final finding from this research that I must acknowledge is one that was not measured, or even asked of the donor participants. Sadly, it was something I was not expecting to find, perhaps because I was weak on this criterion myself. I went into this research short on hope for Appalachian Ohio. Living in an area where education levels are low, poverty is prevalent, and future thinking is hard to come by, I had just about given up on positive possibilities for Appalachian Ohio. The weight of the region was wearing me down.

What I found and what I gained from the interviews with the donor participants was a feeling of hope for the future of the Appalachian Ohio region. Nothing specific was said. Not a single donor
participant mentioned hope, or that they were hopeful. However, hope is the only word that clearly describes their passion and commitment. They see a chance that something desirable will happen or be possible. In the member check, Donor F1 responded to the initial finding of hope by stating “While you kept religion and hope at the end of your findings, I believe those two powers form the basis for all charitable giving”.

The donor participants are strongly committed to their communities. They are investing dollars into the future of their communities. These individuals are sharing their time with communities, organizations, and activities that have the potential to make a brighter tomorrow within the 29 counties. Their enthusiasm and commitment came through not only in their words but also in their very presence.

In a culture where powerlessness and lack of future orientation are prevalent, the emergence of hope may be the greatest gift the donor participants give to their communities. For the region and for me, this discovery of hope made the entire journey worth the effort.
Summary

The purpose of this study was to identify, examine, and understand the motives and criteria of donors who make philanthropic gifts to Appalachian Ohio. My intent was for the knowledge garnered from this study to be of value to those working in Appalachian Ohio to expand philanthropic giving and, eventually, endowed assets in the region.

The population for this study consisted of donors to community foundations which were located in the region and held assets in excess of $1 million. Using a purposeful sampling technique, the seven participating foundations selected 10 donors, of which there were four women and six men to participate in the research. Interviews were conducted on seven different occasions involving four individuals and three married couples.

Post-positivist qualitative methods were utilized for data collection. These methods consisted of donor interviews, member checks, grounded surveys to community foundation professionals, a peer briefer, and journaling for self-reflection. Having multiple data collection methods permitted the use of triangulation and crystallization to assess emerging themes and confirm findings.

Data were analyzed inductively. To organize the data, techniques of unitizing and categorizing were used. Data were coded by means breaking the raw data down into small, manageable size units to which descriptors were applied. Working from the units, descriptors were used to begin to organize the units into broader categories, from which emerging themes could be identified.
After each interview was transcribed, the donor participant received a copy of the transcript for the purpose of verifying the accuracy with which the interview was captured. The edited transcript was then returned using a provided self-addressed stamped envelope.

After the transcripts were read three times, hand coded, and coded via NUD*IST, a summary of the initial emerging findings was prepared and sent to each donor participant with a request to review the information for surprises and new thoughts. The primary purpose of this process was to share the summary of all donors’ input with the hopes of igniting new thoughts of giving and to begin to create some synergistic energy around philanthropic giving in the region. A secondary purpose was to provide me with another look at the data from the donors’ perspective by means of their responses.

A grounded survey utilizing a Likert scale was developed and sent to 14 of 16 community foundations within the Appalachian Ohio region. The responses to the survey were used to determine where community foundation professionals’ thoughts on philanthropy converged with or diverged from those of donors.

When considering the results, conclusions, and implications, one must be mindful of the limitations of the study. First, the findings are limited to the participants involved in this study. The purpose was not to provide generalizations but to develop an understanding about donors to community foundations within the region.

Second, the results have a geographical limitation. Appalachian Ohio was the specific focus of the research. As noted in the literature, giving is related to place. Therefore, to conclude that the information provided here would be valid for other regions of the United State would be unreasonable.

Finally, the data and analysis are rooted in the experiences of the participants and the researcher. Our backgrounds, education, families, and occupations as well as our situatedness with Appalachian Ohio culture have surely impacted our actions and reactions.

*Characteristics of the Participants*

The average age of donor participants was 64, ranging from 52 to 86. All but three were native to, or had family roots within the region. Only one had less than a college education. This follows the
conclusion of other research which indicated that higher levels of education correlate positively with making a gift as well as higher levels of giving (Giving USA 2004).

A striking characteristic of donor participants was the passion held for their communities. This was true whether or not the donor participant was a native to Appalachian Ohio. Within their respective communities, all were actively engaged either through work, volunteer activities, or a combination of both. The passion also manifested itself in the stories chosen, words used, and facial expressions. Stories of how others had helped them or their family at some time were common. Those operating businesses expressed their gratitude toward the community that had supported the business.

A second common characteristic was the unpretentious nature of the donor participants. I entered the work believing I would be interviewing up. Instead, I found myself with everyday people who just happened to share their abundance with the communities in which they live and work. This is not surprising as the original intent of community foundations as outlined by Goff in 1914 when establishing the first community foundation in Cleveland, Ohio was to provide an opportunity for individuals of various means to leave a legacy by way of contributing to pooled funds for the good of the community (Back to the Future, 2001).

Donors and Influences

Two distinct experiences emerged as having influenced donor participants and their giving. The first was family. Donor participants learned the value of giving through the example set by parents and grandparents. Of those interviewed, 80% specifically talked about family and the role family played in developing and encouraging their acts of giving. Acts of giving and volunteering by the parents were critical to this influence.

The role of family as an influence on donors was not a surprise. Fisher (1999) noted that connection to family was a key characteristic of Appalachian people. In addition, family is a key piece in the network of informal and social support within the region (Greenlee, 1993; Anft, 2003). Finally, most people have heard the saying “Charity begins at home”. These three points provided the basis for linking the giving habits of today’s donors with a learned experience from their earliest days in the home and family.
The influence of family and others matched recent research of Giving USA 2004, a publication of the Giving USA Foundation. The research noted two key incentives, or clues, to a person’s giving: a.) the example of others’ philanthropy is likely to encourage people to give, and b.) a child of donor parents is more likely to be a donor than is a child of non-donor parents. This conclusion supports earlier works of Ebeling (1994) who noted that parents influence their children by way of example, association, and experience; and Eberly (1998) who concluded that the role of families, and particularly parents, was critical in cultivating and transmitting the habits of the heart to their children.

Religion emerged as the second experience influencing giving. While the depth of impact of faith varied from the simple act of putting coins in the collection plate as a child to the firm, adult conviction that giving was a means of giving for God’s purposes, religion was a part of the giving influence for 60% of the donor participants. This was a smaller than expected percentage for two reasons. First, religion and religious affiliated organizations are the single largest recipient of gifts, receiving an estimated $86.4 billion or 35.9% of total 2003 contributions (Giving USA 2004). In Appalachian Ohio, religious ties are very strong. The church is a key piece of the network of informal and social support within the region (Greenlee, 1993; Anft, 2003).

Donors and Connectedness

Donor participants very much feel they are part of something larger than themselves. They were connected not only by family and religion but also to the community. All expressed a strong sense of community and acted upon that by being involved in various organizations and activities. Their giving was one means of helping to enhance the place where they live and in which they gained business success and enjoyed the goodness of others. Giving back was a means of creating and maintaining a sustaining community. The focus on the community also moves the giving toward the goal of giving for the common good, an identified characteristic of philanthropy (Bremner, 1994).

The references to sustaining a community and an obligation to give back to the community relate directly to the work of Hyde (1983) and two of the four characteristics of property: connectivity and debt. Gifts hold a bonding power, which either precedes the gift or is created by the donation. The donor participants do have a bond with their community. In the examples examined, the connection appears to
have existed prior to the gift. In fact, it is the connection of family, business, and goodness of others that influenced the decision to make a gift.

The property characteristic of debt relates to the movement of a gift, which creates a state of obligation (Hyde, 1983). Again, these donor participants felt a sense of obligation to their respective communities; a need to keep the money moving and using it to continue to support the community that had nurtured their families and sustained their businesses.

A means of supporting the fabric of the community manifested in the desire to invest in local economic infrastructure via giving, which equates with the works of Mittenthal (1999) and Pifer (1987) who talked of philanthropy as that which is given to address the root causes of societal problems rather than treat the symptoms of need. By providing the opportunity for business to flourish, employees to grow, and to encourage innovative opportunities to integrate the latest in technology into the community, the philanthropic dollars are seeking to combat the root cause of societal problems such as unemployment, under-employment, and brain drain.

Involvement was another means by which donor participants are connected. Volunteerism and board service were examples of their involvement. Since donor participants’ actively participated in organizations and activities related to their interests, gifts became a logical extension of that involvement.

Donor participants also emphasized the use of stories as a means of enhancing community connectedness and sharing the power of philanthropy. Stories of donor participants’ giving shared one-on-one became a wonderful incentive for others to give. This agreed not only with the findings in Giving USA 2004, which noted that learning of other’s philanthropy may be an incentive for people to give but also with that of Boorstin (1987):

When philanthropy ceases to be a matter only between a man and his God, the community enters, then anonymity loses much of its blessedness. For the community has a right to know, and can profit from knowing. Although Julius Rosenwald again and again refused his permission to let institutions be named after him…and repeatedly refused incidental honors like honorary degrees, he was opposed to anonymous giving. Simply because he believed that one of the purposes of giving was to stimulate others to give, Rosenwald believed that secrecy and inactivity were likely to go together and to explain each other. (p. 207-8)
The utilization of the media was another suggested way of sharing stories. Local newspapers and radio are quite influential in rural areas. By taking the lead and sharing positive, pro-active stories on philanthropy and philanthropic donors, these outlets could have a large impact on giving within the region.

Each illustration of connectedness - community, involvement, and stories - ties to the social characteristic of communities as described by Swanson, Cohen, and Swanson (1979). Within the social realm one finds groups and organizations, shared values, and human relationships. As emphasized by the donor participants, their communities are created and sustained through relationships, religious affiliations, involvement in groups and organizations, and by using stories of giving to share the value of philanthropy.

This connectedness also matches the role of association in community (Morgan, 1942). Donor participants illustrated through their experiences and stories how people come together to form relationships, work together and share an identity. Perhaps more importantly, they truly exemplify the notion of a community being a place where people care for one another (Neidert, 1999).

Finally, this connectedness also illustrates why donor participants give to the community foundations in Appalachian Ohio. This is home. Philanthropic giving is one way in which they create a sustaining community, meet local needs, and provide for those that are coming up after them.

**Donor and their Gifts**

The ask is the most important step of the gift-seeking process. Some describe it as an art form; others called it annoying. All donor participants agreed it is necessary. Key to a good ask is the person who approaches the potential donor with a gift request. There should be an existing relationship between the two parties. The ask should be personal with an understanding of the donor’s interests, ability, and past involvement.

When considering a gift request, donor participants are thoughtful, logical, and analytical. Philanthropic giving must be part of their personal mission, helping them to accomplish goals within the community and to do things they are unable or unwilling to do themselves. Giving is a means of investing in the community by way of philanthropic assets. Donor participants seek to maximize their dollars and create impact. Donors’ testimony agreed with the established definition of philanthropy, which stated that philanthropy is rational giving as opposed to the emotional giving associated with charity (Hewa, 1997).
When making a giving decision, taxes are neither the motivator nor the primary influence. Rather, the advantages created by the tax structure are a benefit gained by the act of giving. Minton (2005) noted that “taxes do not motivate people to give; gifts flow primarily out of relationships”.

The last step in the donor’s giving process is the thank you. All donor participants emphasized the power and importance of the thank you. A thank you need not be elaborate; rather a simple, hand written note will suffice. What is important, though, is the act of expressing thanks. The lack of a thank you usually means the end of giving to the recipient organization by that donor. Considering that past giving is the best indicator of future giving to the same cause (Mount, 1996), it is imperative that the thank you be given attention. In addition, a publication of the Council on Foundations (2005) that highlighted a multitude of works on donor motivation did not indicate any reference to the power of the thank you. Research on the power of the thank you appears to be absent in the philanthropy field and is one that certainly needs examined.

Community Foundation and Donors

The professionals in the community foundations serving the Appalachian Ohio region are in tune with the thinking and habits of donors to the region although there were a couple of areas that needed examination. When examining the areas of connectedness (sense of community and involvement); giving influences (family and religion), gifts (impact and thank you), the results of the grounded survey indicate that understanding of donors is shared by community foundation professionals.

The grounded survey revealed 3 areas where the understanding by community foundation professionals diverged from the expressed thinking of donor participants. The acknowledgement by professionals of the importance of the ask was weak. This is discouraging as the ask is the most important part of the gift process, according to the donor participants.

The other areas of diverging thoughts were investing and personal mission in decision making. With the care, thought, and logic that donors put into their giving decisions as well as the expectation of impact now and in the future, giving is very much an investing process. Community foundation professionals, on the other hand, do not see this as part of the decision making process for donors.
Donor participants indicated that giving is a way of accomplishing what is important to them, meeting their interests and thus, accomplishing their personal mission. Community foundation professionals did not see this in the scope of donors’ decision making.

*Researcher and Philanthropy*

As a result of this research and the interaction with the donor participants from throughout the region, I now have new hope for Appalachian Ohio. The participants’ enthusiasm and commitments came through not only their words, but also their very presence. The time, talent and treasure being invested into the communities, organizations, and activities have the goal, potential, and capacity to make a brighter tomorrow within the 29 counties.

*Conclusions*

Based on the literature review, my experiences within the field of philanthropy in Appalachian Ohio and the findings related to the research objectives, several factors were identified that assisted in understanding why donors make gifts and particularly why they contribute to Appalachian Ohio. The following conclusions, applicable to the population of this study, were reached:

1.) Philanthropic donors are ordinary people. While philanthropy has an image of being of the elite, when it comes to community foundations, the likely donor is the person next door.

2.) Donors have strong family ties. The role and example of family members and their habits of contributing time, talent, and treasure have a strong influence on current donors. Fathers appear to be the key influence on this dynamic within the family, as 50% of those who spoke of the family influence mentioned their father or grandfathers. Only one brought mother into the conversation. This may be due to the age of the donors and the era in which they grew up; it was a time period when father was the bread winner and made the monetary decisions for the family.

3.) Faith and religion are part of the fabric of influence for donors.
4.) Donors are closely tied with their community. Whether the donors had family ties to the region, or came because of professional opportunities, there was a strong sense of connectedness to, and responsibility for, the community in which they lived.

5.) Involvement is an avenue to contribution. Donors were very involved in organizations and activities within their communities. Giving of time is a pathway to sharing of dollars.

6.) Sharing stories of giving and the impact of gifts is a means of connecting the community to the power of philanthropy. Stories may be shared one-on-one or through various media, particularly regional newspapers and radio.

7.) Convening donors and potential donors creates the opportunity to share stories and encourage additional gifts.

8.) A personal ask by the right person at the right time and in the right way is the most important part of the gift seeking process.

9.) Philanthropic donors are very thoughtful and careful in their giving. Gifts must help the donor meet an interest or fulfill a task that the donor is unable or unwilling to do personally.

10.) “Give where you live” is an underlying motto of philanthropic donors to community foundations in Appalachian Ohio.

11.) The power of thank you cannot be overstated. Thank you not only completes one giving cycle but also creates the beginning for future giving. Simplicity is a key ingredient of an appropriate thank you.

12.) Community foundations in Appalachian Ohio need to be more aware that donors view gifts similar to investments.

13.) Professional advisors are not the initial route to donors. Philanthropic donors look to the needs of the community, what fits their interests, and consider how they can be helpful. Professional advisors are a secondary step, a conduit to finding a means to meet the donors’ wishes.
14.) There is hope for and within the region. Philanthropic donors exude a sense of hope and promise for the communities about which they care so deeply.

*Implications*

All involved in philanthropy, whether donors or nonprofit organizations, must do a better job of telling the story of the power of philanthropy. Rather than just hope the media picks up on the good works being accomplished, the sector must take a lead role and make the stories available. While there is a paradox here in the fact that donors are reticent to tell their own stories but feel the sharing of giving examples is important for the encouragement of new donors, nonetheless the power of philanthropy must be shared. Particularly in rural communities, newspapers and radio must take a lead in being the conveyor of the stories, providing a conduit for those of means and interest to become aware of organizational and community needs. By the same token, organizations doing good works with philanthropic dollars must share their tales of impact so potential donors can realize the available avenues for investing their dollars in the community through philanthropic means.

Another potential benefit of sharing the stories of donors, gifts, and the work of the nonprofit sector is that it could provide some relief from the persistent culture in Appalachian Ohio of powerlessness and lack of future orientation. Through stories of positive activities, of making a difference by making a gift, and the concept of caring, perhaps a culture of hope can emerge.

Those working in the field of philanthropy must give considerable thought to their use of tax benefits as a means of encouraging gifts. While this does play a role, the possibility of a tax benefit does not appear to be the first, or even a primary consideration when the donor participants are making gift decisions. Instead, given donors’ apparent desire to fulfill a personal mission, to meet their interests, and to accomplish those things which they either cannot do or do not wish to do, fund seekers must be resolute in understanding their mission and organizing their work around that mission. To oversimplify: build it and they will come; build the organization on mission and the donors will come.

Another potential change for the way in which community foundations conduct business is to move from the reliance on professional advisors, such as certified public accountants, attorneys, and financial planners, as the means to connect with donors and potential donors. Professional advisors appear
to be a means of accomplishing a desire that the donor has already determined rather than the initiator of a
gifting possibility. Focusing available resources on educating donors and potential donors and by sharing
of stories of the work which can be accomplished, philanthropy is likely to encourage interest,
participation, and giving. Within the region, the Appalachian Ohio Giving initiative, a collaborative of
grantmakers serving the region and the Ohio State University Extension, has begun work on this effort.

Appalachian Ohio, in particular, must closely examine how it is using resources available for
cultivating future philanthropy. While current work through the Appalachian Ohio Giving initiative and
the Foundation for Appalachian Ohio has spent considerable time and energy focused on educating
professional advisors, it is apparent, at least from those interviewed for this research, that serious
consideration must be given to making a strong effort to educate donors and potential donors.

**Recommendations**

**Recommendations for Donors**

Tell the story! The stories of people’s contributions, the work they accomplish, and the
satisfaction derived from the act of giving can be very powerful in encouraging others to participate in
philanthropic efforts. Telling the story is not the same as trying to capture the limelight. Rather, it is a
means of providing a model that others can emulate. For those who have not experienced a strong family
role model of the practice of giving, the simple act of telling the story can begin to fill that void.

Teach children about giving. Family influence was found to be extremely important in developing
the practice of giving.

Talk with adult children about giving. Donors can continue as role models by sharing stories of
giving with adult children, even though they may not be in the financial position to be givers themselves.
By reinforcing lessons on giving and by continuing to model giving habits, donors may enhance the
probability of their adult children becoming philanthropic donors at some point in their lives.

Make it real. Take the time to talk with others about the accomplishments of favorite
organizations. Combine a friend’s known interest with an organization doing good work by taking that
friend out into the field, letting them see, touch, and experience what philanthropic dollars are doing. This
can be a powerful way to begin to connect others to the opportunities available.
Recommendations for Community Foundations

Educate the community. As those entrusted with serving the community philanthropically, community foundations should give serious consideration to dedicating resources, both financial and personnel, to educating the community about the power of philanthropy. Given the apparent lack of influence on giving by professional advisors, community foundations can increase interest in philanthropy by publishing stories, hosting workshops, creating hands-on opportunities to work with grantees, and convening donors and potential donors for the purpose of synergistic conversation around giving. Community foundations could also work with OSU Extension, scouting, youth foundations, and other youth oriented organizations to introduce and nurture the concept of giving.

Tell your own story. Community foundations are a great vehicle through which people can accomplish their personal goals by providing a means to distribute assets for community use now and in the future. They are also a wonderful intersection of possibility and results. The gifts to community foundations are full of stories about family, friends, and people helping one another. As stated by Bobby Moser, vice president for agricultural administration and dean of the College of Food, Agriculture and Environmental Science, “There’s a story behind every gift”.

One is certain to find stories that will be of interest to various people throughout the community.

Encourage donors to tell their stories. A personal story of the value of giving and the impact of gifts has great power when told by the donor. With donors’ permission, community foundations should provide venues and opportunities for these stories to be shared. One possibility is the convening of donors and potential donors for the purpose of informal conversation about the work of philanthropy.

Work to build and enhance a sense of community. Community foundations have the resources and responsibility to invite people to participate and to show them the opportunities for doing so. Community foundations also have an obligation to bring people together for the purpose of dialogue and understanding.

Encourage the community to say thank you. First, and foremost, community foundations must practice and perfect the art of saying thank you. Beyond that, they should also seek means by which the community can receive a collective thank you for the good works being accomplished. Community
foundations can seek out people and organizations and publicly thank them. They can work with local
media to encourage other avenues of public thanks for all that is done to sustain and build the community.

Be a welcoming place and organization. Community foundations must find a means for opening
their doors to the community. Mindfulness of the negative images created by the word philanthropy,
operating in such a way as to embrace the diverse community will assist the foundation in meeting the
overall objective of being a place where people of various means can leave a legacy.

Recommendations for Future Research

Conduct research of philanthropic donors to other organizations, including private, family
foundations, utilizing the same methodology to search for similarities and differences with donors to
community foundations.

Conduct research of philanthropic donors to community foundations in other regions of the
country utilizing the same methodology to determine if findings are similar or dissimilar with those found
for the philanthropic donors in Appalachian Ohio.

Study the impact of saying thank you. Nowhere in the literature was there reference to research on
the power and importance of the thank you yet, from the data gathered from the donor participants in this
study, the thank you is a very critical component of the giving process.

Research the presence and value of media stories relating to donors and the impact of giving in
local communities. A quantitative approach measuring the stories in relationship to number of donors and
dollar amount of gifts to community foundations over a period of time may be quite helpful in not only
ascertaining empirical data of impact but also in garnering additional coverage in the future.

Utilizing a similar methodology to this study, conduct research of donors whose giving is not a
result of giving modeled within the family. Such a study could lead to discovering other influences to
giving.

Utilizing a similar methodology to this study, conduct research of philanthropic donors to
Appalachian Ohio who no longer live and/or work within the region, yet continue to give. By studying the
motivations and criteria for the donations of these ex-patriots, evidence may be discovered that would be
beneficial for encouraging philanthropic giving from others who have left the region.
Research community foundation professionals to discover the motivations and criteria for their choosing to work within the field of philanthropy. Such a study could include an examination of how the results compare and contrast with donors’ motivations and criteria for giving. Another possibility would be the exploration of how these motivations and criteria compare and contrast with professionals who choose to work in for-profit businesses.
APPENDIX

DOCUMENT SAMPLES AND DATA CHARTS
TITLE PAGE - APPLICATION FOR EXEMPTION
FROM REVIEW BY THE INSTITUTIONAL REVIEW BOARD
The Ohio State University, Columbus OH 43210

For office use only
PROTOCOL NUMBER:
2004 EO 414

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<tr>
<td>Name: Garie L. Earnest</td>
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<td>Phone: 614-292-5047</td>
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<td>Department: Human &amp; Community Resource Dev.</td>
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<td>E-mail: <a href="mailto:Earnest.l@osu.edu">Earnest.l@osu.edu</a></td>
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<td>Name: Christina Wisteria &amp; Cigliani</td>
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<tr>
<td>Phone: 740-622-5371</td>
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<tr>
<td>E-mail: <a href="mailto:Cigliani@clover.net">Cigliani@clover.net</a></td>
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| Date of determination: 11/17/04 |
| Signature: Janet O. Schultz |
| Office of Research Ethics Protections |
Guidelines for Calls to Foundation Professionals

PURPOSE: To create a connection with a potential participant

WHO: Professionals in community foundations serving Appalachian Ohio

HOW: Primarily telephone contacts although face-to-face encounters when such opportunities present themselves.

Name of professional: ________________________________________

Foundation: ________________________________________

Community: ________________________________________

Telephone: ________________________________________

Date(s) and results: ________________________________________
                                          ________________________________________
                                          ________________________________________
                                          ________________________________________

Conversation points that need to be addressed:

1. My name and foundation

2. Purpose of call

3. Brief description of research

4. Define the type of donor research is seeking; focus on philanthropic donor

5. How research will benefit professional

6. Requirements of professional
   a. Recommend donor as potential participant
   b. Make initial contact with participant
c. Provide interview space, if necessary

d. Keep researcher informed of results

e. Complete a short, 10 questions professional’s survey

7. MAKE THE ASK – Are you able to be of assistance?

8. Arrange details
   a. Send outline of donor request
   b. Set a timeline
   c. Create opportunity for closure of request

9. EXPRESS THANKS (and also include a thank you note in mailing)

10. Follow-up, DONOR SECURED
    a. Donor name
    b. Contact information
Sample letter to foundation professionals

Follow-up to securing agreement to participate

mm.dd.yy

Professional name
Foundation name
Address
City, ST zip

Dear SALUTAION:

I enjoyed the opportunity to talk with you today. Thank you for taking the time to learn about my research on philanthropic donors in Appalachian Ohio. I appreciate your eagerness to participate by means of securing a donor participant as well as your own participation through the completion of a short survey.

As we discussed, I have enclosed an outline to guide you in your conversation with a donor who might be interested and willing to participate in this research. As you read through the outline, if questions, comments, or concerns develop please feel free to contact me immediately. Your comfort and understanding as you participate is of utmost importance in maintaining the credibility of this work.

All of us working in philanthropy in Appalachian Ohio are painfully aware of our lack of philanthropic resources. My hope is that together we can generate new understanding of why behind the philanthropic gifts already donated within the reason. And with that new understanding, we can move forward in securing the needed endowed assets required to build our communities, educate our citizens, and ensure a high quality of life within the region.

Again, thanks for your participation. I look forward to working with you in this effort.

Sincerely,

Christine Cugliari
I consent to participating in research entitled: A Post-positivist Qualitative Study of Philanthropic Donors to Appalachian Ohio.

Garee Earnest, Principal Investigator, with Christine Wetherholt Cugliari, co-investigator, has explained the purpose of the study, the procedures to be followed, and the expected duration of my participation. I understand that the interview portion of my participation will be recorded for the purposes of data collection and analysis. Possible benefits of the study have been described, as have alternative procedures, if such procedures are applicable and available.

I acknowledge that I have had the opportunity to obtain additional information regarding the study and that any questions I have raised have been answered to my full satisfaction. Furthermore, I understand that I am free to withdraw consent at any time and to discontinue participation in the study without prejudice to me.

Finally, I acknowledge that I have read and fully understand the consent form. I sign it freely and voluntarily. A copy has been given to me.

Date: __________________________ Signed: _____________________________
(participant)

Signed: ________________________ Signed: _____________________________
(P.I.) (Co-investigator)

Witness: _________________________
Donor Research Interview

DATE:

NAME:

PLACE:

Thank you for agreeing to participate in this interview. To assist in retrieving and analyzing data from this interview, our conversation will be recorded. Is that agreeable to you? 

As I have mentioned to you previously, my research is focused on donor’s who give within Appalachian Ohio. You have a reputation for being generous within the region, specifically County. Because of the foundation recommended you as a participant in this work, and because I have experienced a good working relationship with for a period of time, I feel comfortable talking with you about a subject that many consider very personal.

I appreciate your willingness to assist in this phase of my study.

**Question**

How did your giving start? What was the push?

When did you begin to feel comfortable with giving?

Who was the primary influence in your becoming a giver?

What is the role of your spouse in giving decisions?

Why do you give in Appalachian Ohio?
How do you choose a gift recipient?

What role does the ask play in your decision?

What is the role of a thank you?

How can potential donors be encouraged to give? And specifically within this region?

What was the greatest satisfaction you gained from an act of giving?

What specific insight into your giving would you like to share?
Researcher initial telephone conversation with potential donor participant

NAME: ______________________________________
REFERENCE: ______________________________________
ADDRESS: ______________________________________

TELEPHONE: _____________________________________
E-MAIL: _____________________________________

Conversation outline:
1. Greeting
2. Reference
3. Review purpose as shared earlier via foundation professional
4. Describe research
5. Why his/her participation valuable
6. Requirements of participation
   a. Signed consent form
   b. Face to face interview, approximately 1 hour in length (NOTE: Interview will be recorded.)
   c. Read interview transcript
   d. Confirm or clarify transcript of interview with researcher
   e. Read final transcript as well as summary of research themes and discoveries.
   f. Share additional thoughts with researcher
7. Talk about confidentiality
8. Benefits to participation
   a. Opportunity to reflect on giving
   b. Tell his/her story of giving
   c. Learn from other like-minded givers in region
   d. Play an integral role in future development of philanthropic gifts to Appalachian Ohio.

9. Questions

10. MAKE THE ASK – Would you be a participant in this research?

11. Follow up details
   a. When
   b. Where
   c. Time

12. Say THANKS and then write a thank you letter.
Follow-up letter to donor participant

mm.dd.yy

Donor name
Donor address
City, state  zip

Dear Mr./Mrs. Donor:

It was a pleasure to talk with you by telephone today and I look forward to working with you on this research. Your participation is another example of your generosity and enthusiasm for this region we call home.

As per our conversation, the date of interview is set for XXXX. We will meet at XXXXX and plan on approximately 1 hour for the interview. After our initial conversation combined with the information shared by FOUNDATION PROFESSIONAL, I am eager to meet you and hear the reflections and stories centered our your giving within Appalachian Ohio.

Again, thank you for agreeing to participate in this important work. I will follow up with FOUNDATION PROFESSIONAL and let him/her know that we will be meeting in the near future.

Sincerely,

Christine W. Cugliari
First member check letter

May 16, 2005

DONOR
ADDRESS
CITY STATE ZIP

Dear DONOR:

Processing and reviewing the interview data has been a joy! The information provided a wonderful look into philanthropic giving within the Appalachian Ohio region. I am so looking forward to completing the analysis and, hopefully, providing some insight that will be helpful to encouraging more philanthropy to our region.

At this point, I am asking for one last bit of assistance from you. Enclosed, you will find a summary of my initial findings from the interviews. I ask that you read the findings and think about them. On the enclosed form, please record any thoughts and then return to me by May 25th in the SASE provided.

This is the final piece of my research data gathering. Your reactions will then be analyzed along with the original interviews and the survey responses received from community foundation professionals within Appalachian Ohio.

Again, thank you for your participation in this research. Your willingness to share has been, and will be, of great value as the work continues to encourage philanthropy in Appalachian Ohio.

Sincerely,

Christine W. Cugliari
Ph.D. candidate
The Ohio State University
Some questions to keep in mind as you read:

- What is surprising?
- What thoughts of yours were confirmed?
- What made you say: Oh, I hadn’t thought about that before?

Thank you for your thoughtful response.
Research Survey
Seeking foundation professionals perceptions of Philanthropic Donors to Appalachian Ohio

Please answer the following questions using a scale of 1 – 5 with:
1 - strongly disagree, 2 – somewhat disagree, 3 – no opinion, 4 – somewhat agree, and 5 – strongly agree.

1. The donor’s family-history or culture has a tradition of giving and sharing. 1 2 3 4 5
2. The amount of wealth in the donor’s birth family is important. 1 2 3 4 5
3. Donors are likely to have a history of community involvement. 1 2 3 4 5
4. Religion and faith are important pieces of donor’s life. 1 2 3 4 5
5. Donors are interested in seeing the impact of their gifts. 1 2 3 4 5
6. Giving decisions are driven by donor’s personal mission. 1 2 3 4 5
7. Philanthropic donors tend to have a strong sense of community. 1 2 3 4 5
8. Giving in Appalachian Ohio is seen as an investment. 1 2 3 4 5
9. A well thought-out ask, or gift request, is critical to the donor. 1 2 3 4 5
10. The thank you is a key piece of the giving process. 1 2 3 4 5

Please use the SASE provided and return this survey by May 1, 2005
Christine W. Cugliari * 2070 Buena Vista Drive * Coshocton, Ohio * 43812
Thank you for completing this survey
and being a part of research on philanthropic donors to Appalachian Ohio.
April 18, 2005

PROFESSIONAL. President and CEO
PARTICIPATING FOUNDATION
ADDRESS
CITY STATE ZIP

Dear PROFESSIONAL:

As you are aware, I am conducting research on philanthropic donors to Appalachian Ohio. This research is in fulfillment of a requirement for my Ph.D. at The Ohio State University. In recent months, I have spent considerable time interviewing donors and compiling the data shared. Now, I am moving on to the next research phase, for which I request your assistance.

Enclosed is a 10 question survey. The purpose of this survey is to gather information on foundation professionals’ view of donors to Appalachian Ohio. After all surveys are completed, compiled and analyzed, the results will be compared with interview data collected from donors. Such an analysis should allow the confirmation or disconfirmation of the perception of donors held by foundation professionals in the region.

I respectfully request that you take 10 minutes and complete the survey. Then return to me via the self-addressed stamped envelope by May 1, 2005. For completing and returning this survey, you will receive a summary of the research results.

Leslie, I appreciate the thought and effort you put into arranging the earlier interview with the donor in XXXXX County. Now, your responses will help to complete the project. Thank you for taking a few minutes and sharing your thoughts. The data gathered will be presented in aggregate form so no foundation will be able to be identified. As always, the information you provide will be kept confidential.

If you have any questions, please feel free to contact me at cececugliari@adelphia.net.

Sincerely,

Christine W. Cugliari
Ph.D. Candidate

Garee W. Earnest, Ph.D.
Associate Professor and Advisor
April 18, 2005

PROFESSIONAL President
NON-PARTICIPATING FOUNDATION
ADDRESS
CITY STATE ZIP

Dear PROFESSIONAL:

During the past four months I have spent considerable time interviewing philanthropic donors to Appalachian Ohio for the purpose of developing an understanding of why current donors give so that foundations in the region might have the regional-specific knowledge needed to better serve the philanthropic needs in their communities. This research is in fulfillment of a requirement for my Ph.D. at The Ohio State University. Now, I am moving on to the next research phase, for which I request your assistance.

Enclosed is a 10 question survey. The purpose of this survey is to gather information on foundation professionals’ view of donors to Appalachian Ohio. After all surveys are completed, compiled, and analyzed the results will be compared with interview data collected from donors. Such an analysis should allow the confirmation or disconfirmation of the perception of donors held by foundation professionals in the region.

I respectfully request that you take 10 minutes and complete the survey. Then return to me via the self-addressed stamped envelope by May 1, 2005. For completing and returning this survey, you will receive a summary of the research results.

Your responses will add richness to the data and help complete the project. Thank you for taking a few minutes and sharing your thoughts. The data gathered will be presented in aggregate form so no foundation will be able to be identified. As always, the information you provide will be kept confidential.

If you have any questions, please feel free to contact me at cecucugliari@adelphi.net.

Sincerely,

Christine W. Cugliari
Ph. D. Candidate

Garee W. Earnest, Ph. D.
Associate Professor and Advisor
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