

Focus on Generosity

- a discussion paper series -

What do we mean by generosity?

Discussion Paper 1

This paper asks the core questions: what is generosity, and what does it have to do with the way we live our lives or run our businesses?

This paper is the first of a series to stimulate discussion between the Promoting Generosity initiative Hub members, advisors and others in order to guide the work of the Hub. For information on the series and Promoting Generosity initiative see <http://www.ocvs.govt.nz/work-programme/promoting-generosity.html>

What is “generosity”?

Generosity can be defined as “the quality of being kind and generous” (Concise Oxford Dictionary Online) or a “willingness and liberty in giving away ones’ money, time, etc” (Collins Dictionary Online). To encourage generosity, therefore, means fostering a willingness to give amongst the population, and ensuring the freedom to give is not restricted by unnecessary barriers. As a concept that rests deep in our belief systems, generosity influences the choices we make and the actions we take. Depending on cultural, social, historical and language structures, generosity is likely to mean many different things to many different people in many different places. For example, *magnanimity* is a term closely associated with generosity coming from the Latin *magnus* (great) and *animus* (soul). Similarly, in Māori culture, *tohu aroha* is seen by some as an expression that incorporates the spiritual and temporal dimensions of giving and manifestations of love, sympathy and caring (OCVS, 2007).

Promoting
generosity

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1. Fostering willingness to give
2. Removing unnecessary barriers

The *Promoting Generosity* Hub (the Hub) identifies the actions of generosity to be: the giving of money; giving of time (both formal and informal forms of volunteering); giving in-kind (giving goods, services or a skills transfer); and giving through acts of kindness (the small acts of generosity that often go unnoticed). The research *How Do New Zealanders Give?* (Jones & King, 2008) supports Professor Robert Putnam’s (2000) claim that, generally speaking, different forms of giving complement each other - they do not substitute each other. That means that many people express the desire to act generously in more than one way.

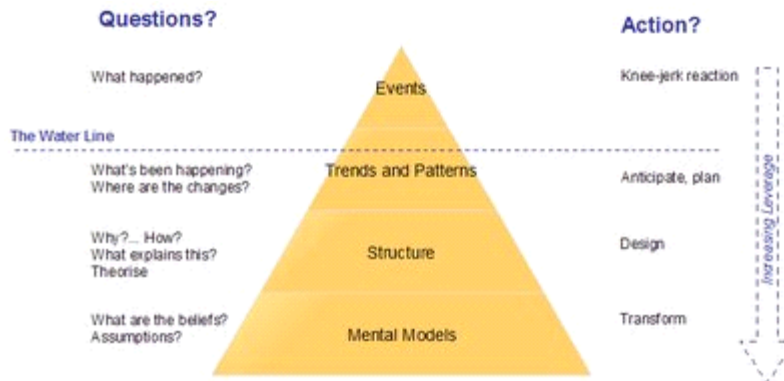
The Iceberg Model of systems thinking can be used to explain the relationship between the human behaviour of generosity and deeper social structures. When applied to generosity, the Iceberg Model (Figure 1) shows that acts of giving are only the *visible* signs of generosity. These acts form patterns, which are often guided by underlying social structures held in place by beliefs or “mental models”. As with an iceberg where two thirds sits invisibly below the waterline, the beliefs and structures that cause us to act generously are often invisible. Using this model, where would our efforts to change giving behaviour be best targeted – at surface-level? Or deeper, at the level of structures or beliefs? What form should the actions take?

When is
generosity
visible?

If we cannot
see it, does it
matter?

Figure 1: Iceberg Model

created by George Ambler (2006)



If generosity is linked to our beliefs:
- where is action to promote generosity best targeted?
- what form should action take?

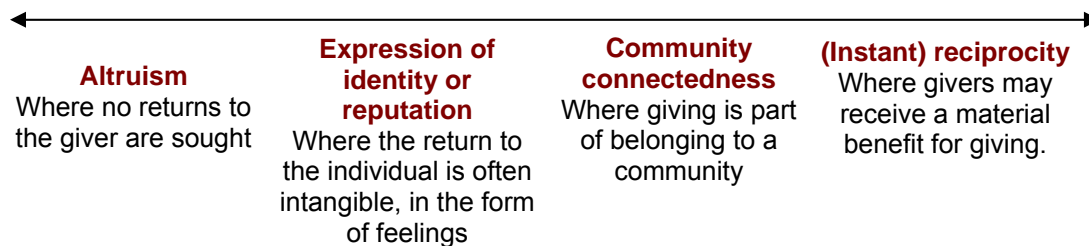
Acts of generosity may range from one-off offerings to ongoing contributions. One style of giving is not necessarily 'better' than the other – each should be assessed on its merits depending on the circumstances and the outcomes desired by the parties.

Generosity creates relationships of varying strengths between the 'giver(s)' and 'receiver(s)'. The exchange of benefits is often mutual, and can lead to collaboration. In these cases the terms 'giver' and 'receiver' are not always appropriate. The extent to which there is reciprocity is explored further in the 'return continuum' below):

What is the relationship between generosity and reciprocity?

Figure 2: The return continuum

adapted from ADFCS & PMCBP, 2005



Generosity and Community

Although generosity is not always visible, most agree that the absence of generosity creates a society that lacks connectedness and resilience. This is one reason that the concept of generosity, and its visible manifestations, can be closely linked to ideas of 'community' and social equity. Eckstein (2001) says that too much attention is given to individualistic-grounded giving, with the result that the collectivistic nature of giving is often ignored.¹ Groups (rather than individuals) initiate, inspire and oversee many giving practices in our society.

Do we ignore the collectivist nature of giving?

The value of generosity to the givers, the receivers and the community as a whole will be explored in depth in *Paper 2: What value do we place on generosity?*

Generosity in our working lives

Generosity extends beyond individuals and community groups when it is taken into the organisations we work for, and interact with. In recent years there has been a marked growth in corporate social responsibility (CSR) and concerns about social

¹ Nevertheless, many of New Zealand's Māori, Pacific and ethnic communities are rooted in the collectivist form of giving and reciprocity.

sustainability.² These notions are not new – they have a long history. In 1979, Carroll described recent forms of CSR as part of the ‘discretionary responsibilities’ of business, stating that:

...these roles are purely voluntary, and the decision to assume them is guided only by a business’s desire to engage in social roles not mandated, not required by law, and not even generally expected by businesses in an ethical sense. (Carroll, 1979; 500)

What is the relationship between generosity, corporate social responsibility, and social sustainability?

In contemporary society, however, such practices have begun to form part of what Carroll considers to be the ‘ethical responsibilities’ – those responsibilities that society informally defines for businesses. They have become an investment opportunity. Relevant practices include (but are not limited to) participation in local community projects, donations to charities, sharing intellectual property, and providing support to staff to participate in their communities (Collins, 2007). Perhaps, the most generous thing a business can do is keep its people motivated, paid and contributing productively to a sustainable world.

It’s not just about giving – it’s about how we give

How companies or individuals choose to show generosity will depend on the situation. How we give plays a significant role in how gifts are used. In the United States:³

Does it matter how we give?

Although the average annual corporate contribution fund is something less than one percent of pre-tax profits, it has positively influenced many community problems. Unfortunately, compared to most business activities, deciding where to give money is generally done rather haphazardly. Companies often give financial support without setting up any objective criteria, even though they are dealing with problems as severe and complex as any business faces on a day-to-day basis. (Koch, 2001; 88)

Consistent and continuous giving can provide non-profit organisations with greater certainty in cash-flows, thus enabling long-term planning. Koch (2001; 88) observes that currently “[m]any [company] donations are made on the basis of personal preference”, but that they could possibly go much further if donors were more strategic in considering factors such as community need, the significance of their contribution, who else is giving to that cause, and whether the organisation they are donating to operates in an innovative and effective manner.⁴ Love (2006) makes a number of recommendations:

How can we change our giving so that it has more impact?

- think first
- be proactive with giving
- professionalise the giving programme
- identify potential harm to both the corporation and social recipients; and
- consult international academic/practitioner publications for ideas on how and why to allocate resources.

² Note that for some people, the broad use of the term ‘generosity’ in relation to business behaviour is a new and perhaps controversial idea.

³ Corporate giving has been studied more extensively in the United States than in New Zealand.

⁴ Note that as charities register with the Charities Commission and begin to file annual returns more information will be available to the public on individual charities.

Many of these principles apply to individual givers as well, and for this reason the Philanthropy Centre at Guardian Trusts has three core principles: smart giving, strategic investment, and effective grant making.

A final point on how we give relates to mutually beneficial giving. Different organisations, individuals and/or businesses collaborate for the common good. This generally works best if a strengths-based, relationship-centred approach is adopted such as that described by the former Australian Prime Minister's Community and Business Partnership in *Partnerships - Making Them Work*.

What thought should we give to the relationships we create through our generosity?

Measuring generosity

Generosity, as an underlying principle, is very difficult to measure – how do we tell if we are a more or less generous society today than in the past? How do we know if efforts to promote generosity are successful? Although generosity is elusive as a measurable concept, knowledge is improving about the extent that people and businesses participate in the more visible forms of giving, such as giving money, some in-kind donations, and formal volunteering. These measures will give us some guidance about giving trends. *Paper 3: What do we know about generosity in New Zealand?* will explore what we know about giving trends and giving itself.

How can we measure generosity?
Why should we measure it?

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- Plus discussions with Promoting Generosity Hub advisors and communities-of-interest.*

If you would like to give feedback, or if you have any research, information or experience you think would be useful for the paper series we would appreciate hearing from you. You can contact us at promotinggenerosity@msd.govt.nz.