

'Donor dominance' – what is it, and what prevents fundraisers dealing with it effectively?

Project outline, v1.1

Heather Hill Vice president for advancement, Concordia College-New York Member, Rogare International Advisory Panel

lan MacQuillin Director, Rogare

May 2018



1 Description of the issue

Received best practice wisdom in fundraising says you should always put the donor at the heart of everything you do. This is the core idea of 'donor-centred' fundraising (or donorcentrism) that underpins relationship fundraising. Donorcentrism is a doctrine of both fundraising best practice and fundraising ethics (MacQuillin 2017). But can donorcentrism go too far? Are there limits to how far fundraisers ought to prioritise the needs and wants of donors' wishes?

A survey carried out by the Association of Fundraising Professionals (AFP) and the Chronicle of *Philanthropy* in the USA in April 2018 found that a quarter of female fundraisers had faced sexual harassment at work and of these, 65 per cent said at least one offender was a donor (AFP 2018; Harris Insights and Analytics 2018; Sandoval 2018).

This survey simply puts numbers around what has been an issue about which many female fundraisers have known and been concerned for a long time (e.g. Upton 2017). This matter was finally kicked to a point where it could no longer be ignored following the revelations of highly inappropriate sexual misconduct at the Presidents Club annual fundraising dinner in London in January 2018 (MacQuillin 2018).

It is tempting to view this matter predominantly as a safeguarding issue relating to inappropriate sexual behaviour by (some) donors, which is how it has been interpreted by some people in fundraising (e.g. Pegram 2018, Rosen 2018). This is, of course, an incredibly important issue and perhaps the most pressing and urgent of all the issues this raises; no doubt it will be high on the agenda of the AFP's Women's Impact Initiative¹.

While sexual misconduct by donors can be viewed as the most extreme abuse of the power dynamic that exists in the relationship between donors and fundraisers, it does not exhaust the topic of 'donor dominance' (Hill 2018). The notion of donor dominance encompasses the undue influence that powerful donors have to influence policy at a national level (Goss 2016; Reckhow 2016), to the point that it can undermine locally-organised civil society (Morvaridi 2016, p12); and undue influence on charitable activity at the level of the organisation through mission drift in pursuit of a gift (Clohesy 2003). This is still an extreme abuse of the power dynamic in donor-fundraiser/NPO relationships, although a different form of abuse to the safeguarding issue.

Donor dominance could also encompass attitudes and behaviours so far not described in the academic and practitioner literature (as far as we know, though we cannot be sure until we begin this project in earnest), such as exerting undue influence to advance personal or corporate interests, preferential access to events and performances, and/or unwarranted interest in individual staff members' career progression (or lack of it). It could also extend to exerting undue influence over the development of fundraising's professional standards and ethics (MacQuillin and Sargeant 2018).

To express this syllogistically:

• All sexually inappropriate behaviour by donors is an abuse of the power dynamics on donorfundraiser relationships.

¹ <u>http://www.afpidea.org/wii</u> – accessed 26 April 2018.

• Not all abuses of the power dynamics in donor fundraiser relationships are cases of sexually inappropriate behaviour by donors.

So even though most (about 70-75 per cent) fundraisers are female in both the USA and UK (Association of Fundraising Professionals 2016; Institute of Fundraising 2013), and the vast majority of perpetrators of sexually inappropriate donor dominance are most likely to be male (Sandoval 2018)², the wider question of donor dominance is gender-neutral in that while it may still be the case that most donors who are in a position to exert undue influence on policy or a charity's mission will be male, it is not necessarily the case that they will be. This is not to say, however, that an interpretation of wider donor dominance based on gender theory is necessarily discounted.

² The figure reported is that 96 per cent of all acts of inappropriate behaviour were committed by men, which includes staff members, board members and donors/potential donors.

2 Project outline

The objectives of this Rogare project into donor dominance are:

- A. Describe the issue of donor dominance in full, outline all variations, and explore the implications of each to professional practice.
- B. Hypothesise why this has been allowed to become an issue in fundraising and what barriers or issues may be inhibiting effective resolutions. Clohesy (2003, p133-34), for example, argues that the analogies of the donor-as-customer and donor-as-stockholder result in a charity's mission being subordinated to donors' interests; while MacQuillin (2017) argues that ethical norms about the primacy of donor interests and the need to protect and develop donors' psycho-social well-being could also lead donor concerns to be prioritised above the needs of beneficiaries. In the latter case, an ethic that requires fundraisers to promote and protect donor interests and well-being may be ill-equipped to help fundraisers deal with situations when donors' attitudes and behaviours are actually damaging the nonprofit they are supposedly helping.
- C. Test this hypothesis by creating a global map of donor dominance issues encountered in professional practice, how fundraisers have attempted to deal with them, and what barriers they feel they have encountered that prevent them dealing with such issues.
- D. Provide fundraisers with the knowledge about how their relationships with donors might become unbalanced and give them the confidence to address this.

The project will require two separate stages to achieve these objectives.

- 1. Literature review to achieve objectives A and B.
- 2. Primary quantitative research to achieve objective C.

References

Association of Fundraising Professionals (2018). One-quarter of all female fundraisers report sexual harassment. <u>http://www.afpnet.org/Audiences/ReportsResearchDetail.cfm?ltemNumber=49027</u> – accessed 26 April 2018.

Association of Fundraising Professionals (2016). Compensation and benefits report. <u>http://www.afpnet.org/Audiences/ReportsResearchDetail.cfm?ltemNumber=38991</u> – accessed 29 April 2018.

Clohesy, W. W. (2003). Fund-raising and the articulation of common goods. Nonprofit and Voluntary Sector Quarterly, 32(1), 128-140.

Goss, K. A. (2016). Policy plutocrats: How America's wealthy seek to influence governance. *PS: Political Science & Politics*, 49(3), 442-448.

Harris Insights and Analytics (2018). Professional harassment survey. Rochester, NY: Harris Insights and Analytics. <u>https://www.philanthropy.com/items/biz/pdf/Professional%20Harassment%20Survey%20Results%20PDF.pdf</u> – accessed 26 April 2018.

Institute of Fundraising (2013). Who's doing the asking? Diversity in the fundraising profession. London: Institute of Fundraising.

MacQuillin, I. (2018). What do we need to learn from the Presidents Club debacle? *Critical Fundraising*, 25 January. <u>http://blogs.plymouth.ac.uk/criticalfundraising/2018/01/25/opinion-what-do-we-need-to-learn-from-the-presidents-club-debacle/</u> – accessed 29 April 2018.

MacQuillin, I. (2017). Rights stuff: Fundraising's ethics gap and a new normative theory of fundraising ethics, v2.1. Plymouth: Rogare/Hartsook Centre for Sustainable Philanthropy.

MacQuillin, I. and Sargeant, A. (2018). Fundraising ethics: a rights-balancing approach. *Journal of Business Ethics* (online). <u>https://doi.org/10.1007/s10551-018-3872-8</u>. <u>https://rdcu.be/MIEf</u> – accessed 26 April 2018.

Hill, H. (2018). We need to talk about donor dominance. Critical Fundraising, 28 February. http://blogs.plymouth.ac.uk/criticalfundraising/2018/02/28/opinion-we-need-to-talk-about-donor-dominance/ – accessed 26 April 2018.

Morvaridi, B. (ed.) (2016). New philanthropy and social justice: Debating the conceptual and policy discourse. Bristol: Policy Press, University of Bristol.

Pegram, G. (2018). Unacceptable behaviour by donors, condoned by charities. Things must change. UK *Fundraising*, 5 April. <u>https://fundraising.co.uk/2018/04/05/unacceptable-behaviour-donors-condoned-charities-things-must-change/#.WuNC6WaZMi5</u> – accessed 26 April 2018.

Reckhow, S. (2016). More than patrons: How foundations fuel policy change and Backlash. *PS: Political Science & Politics*, 49(3), 449.

Rosen, M. (2018). Are donors the hidden enemies of charities? *Michael Rosen Says* blog. <u>https://michaelrosensays.wordpress.com/2018/04/16/are-donors-the-hidden-enemies-of-charities/#more-3938</u> – accessed 26 April 2018.

Sandoval, T. (2018). Sexual harassment is widespread problem for fundraisers, survey says. Chronicle of *Philanthropy*, 5 April. <u>https://www.philanthropy.com/interactives/fundraiser-poll</u> – accessed 26 April 2018.

Upton B. (2017). My experience of being a woman in the charity sector. UK Fundraising, July 14. <u>https://fundraising.co.uk/2017/07/14/experience-woman-charity-sector/#.WoMLb5OFjDZ</u> – accessed 17 February 2018.

Rogare Associate Members – helping Rogare to rethink fundraising

Rogare is supported in its work by a number of Associate Members – partners to the fundraising sector that share our critical fundraising ethos. Our Associate Members are:

<u>Ask Direct</u> – Irish creative agency (Global group) <u>Bluefrog</u> – creative agency (UK group) <u>Rapidata</u> – regular giving specialist (UK group) <u>Stephen Thomas</u> – Canadian creative fundraising agency (North America group)

Visit our website for more information on Associate Membership of Rogare.