

Very preliminary and incomplete.
Do not cite without permission of the
authors

**Cultural Preconditions of Giving and Volunteering:
Occupational/Industry/Professional Influences**

Natalie J. Webb
Defense Resources Management Institute
Naval Postgraduate School
699 Dyer Rd. Bldg 234, Code 64/We
Monterey CA 93943
Tel: 831-656-2013
Fax: 831-656-2139
E-mail: njwebb@nps.edu

Rikki Abzug
Nonprofit Management Program
Milano Graduate School
New School University
72 Fifth Avenue
New York, NY 10011
Tel: 212- 229-5311, x. 1414
Fax: 212- 229-5404
E-mail: abzugr@newschool.edu

November 2005

This paper was prepared for the 2005 Annual Conference of the Association for Research on Nonprofit Organizations and Voluntary Action.

Cultural Preconditions of Giving and Volunteering: Occupational/Industry/Professional Influences

Abstract

Due in large part to the availability of the Center on Philanthropy Panel Study (COPPS) data, we have been learning a great deal about the determinants of giving and volunteering within and across families and generations. Most of the extant literature coming from the COPPS data has focused on family lifecycle, changing economic circumstances, health and wealth as determinants of giving and volunteering patterns. However, given the COPPS data's link with the ISR's PSID, we are able to begin teasing out the effect of variables not traditionally studied by researchers of giving and volunteering. In particular, we explore the role of occupation/profession and/or industry in explaining varying giving and volunteering rates of individuals (as opposed to households). While our field has been learning about the transmission of giving (and volunteering) philosophies and strategies among families, we begin exploring the transmission of giving (and volunteering) patterns through institutional cultures defined by occupation, profession, and/or industry. Specifically, we are adding variables that capture the normative pressure individuals face as members of occupations, professions, and/or industries, to already established correlations of giving and volunteering.

To date, we have run summary statistics on giving and volunteering by broad industry and occupation codes, separating the sample into single heads of households and married individuals. We find differences in giving and volunteering, at least at this very broad level.

Examining single heads of households is important because charitable giving is reported by family unit, while volunteering is reported by individuals (heads of household, and wife, if present), rather than by family unit. We must account for levels and shares of income (and, in future, wealth) so that we can examine giving and volunteering by occupation or industry, holding income constant. Additional factors that we explore include religious affiliation, age, whether children are present in the family unit, racial background, years of formal education, and whether we need to break occupation and industry codes into smaller subsets so that we do not lump together too many disparate groups. Finally, some research suggests that men and women give differently; we will analyze whether gender plays a role in giving and volunteering within professions.

a. Background:

According to researchers Steinberg and Wilhelm (2003), before the availability of the COPPS data, panel studies of determinants of giving were constrained by their use of tax study data which provided only limited potential independent variable financial and demographic data (for reviews of such previous studies see, for example: Deb, Wilhelm, Rooney, and Brown 2003; and Wilhelm, 2003). The availability of the COPPS data has allowed and will allow new research on the determinants of giving by greatly expanding the universe of independent variables. Recent research from the COPPS data (see for example Steinberg and Wilhelm, 2003) has already established the legitimacy of exploring intergenerational dynamics, religion, race, ethnicity, and education of family head, as well as family income dynamics as determinants of giving. The addition of these variables has added nuance and deeper understanding of patterns of giving. We would like to extend this work into explorations of more sociological and institutional/cultural variables to round out

the economic and demographic picture. We see our work responding directly to the plea by scholars of the culture of giving, Hamilton and Ilchman (1995:2) when they intoned "...much more work needs to be done...There is a paucity of studies on professions. Professions, as well as education, and industry probably have an impact on giving, as do other factors that should be explored." To wit, we note the great and growing interest in sociology and organizational science of the role of professions (see for example, Abbott, 1991; Abrahamson, 1967; Begun, 1986; Bledstein, 1976; Drazin, 1990; Friedson, 1983; Geison, 1983; and Prasad and Prasad, 1994) and other institutional/organizational pressures on the structuring of (largely organizational) action (see Powell and DiMaggio for an iconic review). Yet since organizations act only through the managerial decision-makers, we extend this literature to consider the impact of professions and institutions/fields on the decision-makers within the organizations (the individual givers/ the individual professional who volunteers).

So, at the same time that our question allows us to expand the determinants of giving (and volunteering) research, our particular interest in cultural/institutional determinants allows us to expand the literature of the impact of these pressures. This also allows us to take the neo-institutional literature on the influence of normative (professional) and institutional field level (occupational and industry) on organizational structure to the individual-level of analysis. Institutionalists have recently explored how industry/field influences corporate giving behavior (see for example, LeClair and Gordon, 2000). Following the work of Crawford, Olson, and Deckman, 2001, we move the locus of inquiry from normative pressures on organizational "behavior" to normative pressures on individual (or professional) action. We thus begin to contribute to the literature on the impact (or limits thereof) of

professions, occupations, and industries on individual or professional (as opposed to organizational) action—how industry/field influences individual giving and volunteering behavior. Those studying the impact of professions on individual/professional action have recently become interested in action directed to the social/political realm. We see our work in the line of columnist David Brook’s (2004) musings on how professions correlate with political proclivities, economists Frey and Meier’s (2003) exploration of the relative selfishness (as measured by giving behavior) of economists versus denizens of other disciplines, and nonprofit scholars Crawford et als’ (2001) studies of the impact of profession on political mobilization of individual actors.

Using the COPPS data we will be able to tie all of these literatures together by exploring the impact of profession and institutional field (measured by occupation/industry) on individual giving and volunteering behavior. This work, then, will be part of a project to bring a greater social constructionist perspective into determinants of giving and volunteering (exploring the impact of cultures of giving and volunteering) research, at the same time that it will introduce giving and volunteering behavior as potential dependent variables of interest to those who would study the impact of the professions, occupations, and institutional fields/industries.

b. Literature Review:

Determinants of Giving

In 1997, Clotfelter made an argument for the popularity of studies of giving over the twenty years previous. He suggested that economists have been intrigued by the phenomenon because it is so wholly uncharacteristic of the behavior of homo economicus. Given the availability of new and more comprehensive datasets during that same time period

(with the COPPS dataset being one of the most recently exciting), it is not surprising that enough studies now exist that categorizing them is a reasonable first step for any new research. Brooks, 2004, for instance, divided studies into those that focused on (individual) economic determinants of giving and those focused on demographic variables. Starting from Brook's division we maintain a category for studies that focus on individual-level (mostly demographic) determinants of giving but we also include social/community level—or what Hamilton and Ilchman (1995) called “cultures of giving”

Individual/Demographic Determinants of Giving

Although our variables of interest are at the “cultural” level, we recognize the importance of individual level variables and draw from that literature, those variables that have been demonstrated to be the most robust. Numerous studies have underlined the paramount importance of income as a determinant of giving (see for example, Clotfelter, 1985, Steinberg, 1990), and recent studies have struggled with the intertwining of income and wealth as predictors (Schervish and Havens, 2001). Yet the availability of new datasets has allowed for the study of additional individual-level determinants. So studies have looked at the impact on giving of age (Clotfelter, 1997), gender (Wolfe, 1998), marital status (Liz and Stewart), race and ethnicity (Hodgkinson and Weitzman, 1998), education (Morgen, Dye, and Hybels, 1977), religious practice (Hoge, 1995; Jackson, Backmeier, Wood, and Craft, 1995) political ideology (Wolpert, 1995), and urban residence and family size (Brooks, 2002). In reviewing such literature, Brooks (2004) summarizes that in general, age, education and religious practice push giving up, family size and urban residence pull it down, race and marital status are frequently insignificant and gender engenders the most contradictory findings.

Cultures of Giving

Starting with an interest in the varied American social landscape, Hamilton and Ilchman (1995) came at the issue of determinants of a giving from a more social/cultural orientation. They suggested that various group identifications (rather than, say, individual achievements), provided the backdrop for what they call “cultures of giving.” For Hamilton and Ilchman, (1995), variables such as religious affiliation, ethnicity and gender (all categorized by Brooks (2004) as demographic variables), are joined by region as cultural environments which differentiate giving patterns. It is within the context of a discussion of the many cultures of giving that Hamilton and Ilchman (1995) bemoan the lack of studies of industry and professional cultures as predictors of giving.

Religion

Parents/Friends/Intergenerational transmission

Giving USA and over-time trends

Personal Income

Recession

S & P

community and generosity

Determinants of Volunteering

In NVSQ alone, 5 articles for key words “Determinants of Giving”, 108 articles for “Motivations for Volunteering”

Individual/Demographic Determinants of Volunteering

Cultures of Volunteering

The Influence of Occupation/Profession

Neo-institutional concern with organizational-level “behavior”

New agenda on individual/professional level behavior

c. Research Questions

We begin by examining a very simple question for single heads of household (separating the effects of decisions made by spouses and by income coming from more than one adult): What percent of the population (by occupation and industry category) gives? What percent volunteers? We chose to examine industries and occupations that may have theoretically more interesting differences. The table below summarizes volunteering and giving behavior reported in 2001 for heads of household in three different occupations: service workers; professional, technical, and kindred workers; and managers and administrators; and five different industries: personal services; entertainment and recreation services; public administration; fire, insurance and real estate; and manufacturing.

Table xx: Single HOH giving and volunteering participation, 2001, by selected occupation and industry categories

Industry or Occupation Codes			
	VOLUNTEER	DONATE	n
Occupation = Service workers except private household	13%	34%	483
Occupation = Professional, technical, and kindred	31%	69%	465
Occupation = Managers and administrators	26%	63%	265
Industry = Personal services	15%	34%	138
Industry = Entertainment and recreation services	23%	31%	35
Industry = Public administration	27%	60%	175
Industry = Finance, insurance and real estate	28%	63%	141
Industry = Manufacturing	13%	50%	357

It is interesting to note (although perhaps very logical given that the heads of household are single), that more individuals donate than volunteer in any of the occupations or categories we examined. Donating varies across the three occupations from 34% to 69%

and from 31%-63% across the industry categories. Volunteering, however, is in a much lower range of 13%-28% across all categories. Also of interest, 69% of these households are headed by women. A comparison that might be done in the future is to examine the difference in female- versus male-headed household giving and volunteering behavior.

What can we say about single heads of household and the determinants of their giving and volunteering (with respect to industry and occupation)? In the 2001 data, there are approximately 2570 single heads of household without missing or invalid information. We used two dummy variables to measure donating and volunteering behavior. In the case of donating, the question refers to whether the household donated greater than \$25 in 2000. In the case of volunteering, the question refers to whether the head reported doing volunteer work last year.

The variables used to capture demographic and other explanatory information were religion (dummy), family income (in dollars), education (in years), gender, race (dummy), whether children are present in the family unit, age (in years), and the occupation and industry categories in which individuals worked. The table below provides summary information on the variables and the exact definitions follow.

**2001 Variables: Single Heads of Household
Statistics used in Determining Donating and Volunteering Behavior**

Variable	Obs	Mean	Std. Dev.	Min	Max
donge25	2568	0.45	0.50	0	1
vol_yn	2568	0.19	0.39	0	1
rel_hd	2568	0.79	0.41	0	5
faminc01	2568	32517	38620	0	695452
edu_hd	2568	11.6	3.78	0	17
genderhd	2568	1.09	0.46	0	1
race	2568	0.38	0.49	0	1
agehd	2568	43.5	16.87	17	97
childdum	2568	0.44	0.50	0	1
serv_occ	2568	0.16	0.37	0	1
prof_occ	2568	0.13	0.33	0	1
mgr_occ	2568	0.08	0.26	0	1
per_ind	2568	0.05	0.21	0	1
ER_ind	2568	0.01	0.10	0	1
PA_ind	2568	0.05	0.22	0	1
FIRE_ind	2568	0.04	0.20	0	1
manu_ind	2568	0.11	0.31	0	1

Variable	Definition
donge25	1=donated >=\$25 last year; 0= did not
vol_yn	1=volunteered last year; 0= did not
rel_hd	0=no religion, missing values; 1=Catholic;2=Jewish;3=Protestant;4=other;5=DK, RF
faminc01	actual family income reported in dollars
edu_hd	education of head from 0-98 years
genderhd	gender of head; 1=male; 0=female
race	Race of head; 0=nonwhite;1=white
agehd	age of head in years (deleted those with reported age>100)
childdum	1=children between 0-17 in family unit. do not have to be children of head;0=no children in FU
serv_occ	Service workers except private household, occupation codes between 901 and 965
prof_occ	Professional, technical, and kindred workers, occupation codes between 1 and 195
mgr_occ	Managers and administrators, occupation codes between 201 and 245
per_ind	Personal services, industry codes between 769 and 798
ER_ind	Entertainment and recreation services, industry codes between 807 and 809
PA_ind	Public administration, industry codes between 907 and 937
FIRE_ind	Finance, insurance and real estate, industry codes between 707 and 718
manu_ind	Manufacturing, industry codes between 107 and 398

We used a logit choice model to estimate the probability that an individual donates or volunteers. We chose the logit formulation because we can assume a nonlinear relationship, where we use the independent variables to build a model of the probability of choice.¹

For our first research question, we examined the variables determining whether a single head of household donated or volunteered. Table xx summarizes findings from the analyses on donating behavior. We found that occupation does seem to play a role in determining whether or not individuals gave at least \$25 to charities in the previous year. Those in service industries did not tend to give (significant at 0.01). Those in professional, technical, and kindred, and in managerial and administrative occupations did tend to give (significant at 0.01). Among the industry categories, those in personal services were less likely to donate (significant at 0.01), and those in public administration and finance, insurance, and real estate, were more likely to donate (significant at 0.01).

Table xx: Logit estimating relationships between donating and occupation/industry, 2001 data

	serv_occ	prof_occ	mgr_occ	per_ind	PA_ind	ER_ind	FIRE_ind	Manu_ind
rel_hd	+ x	+ x	+ x	+ *	+ **	+ **	+ x	+ **
faminc01	+ **	+ **	+ **	+ **	+ **	+ **	+ **	+ **
edu_hd	+ **	+ **	+ **	+ **	+ **	+ **	+ **	+ **
gender_hd	- **	- **	- **	- **	- **	- **	- **	- **
race	+ **	+ **	+ **	+ **	+ **	+ **	+ **	+ **
agehd	+ **	+ **	+ **	+ **	+ **	+ **	+ **	+ **
occ/ind	- **	+ **	+ **	- **	+ **	-	+ **	+
constant	- **	- **	- **	- **	- **	- **	- **	- **

* = significant at 0.05; ** = significant at 0.01, x = significant at 0.1

As expected, demographic variables are very important. Declaring any religion is generally associated with a positive likelihood of donating, relative to those who did not state a religious preference. Larger family income, higher age, and more years of education tend

to increase the likelihood of giving. Coming from a racial category of "nonwhite" is associated with lower giving, as is being a male (single) head of household.

With respect to volunteering, Table xx again shows that occupation may play a role in determining whether or not individuals volunteered in the previous year. Those in service roles did not tend not to volunteer (significant at 0.01). Those in professional, technical, and kindred occupations were more likely to volunteer (significant at 0.01). Those in managerial and administrative occupations did tend to volunteer, but the coefficient was not significant. With the exception of the manufacturing industry category, we did not find a strong relationship between industry category and volunteering. Those in the manufacturing industry were less likely to volunteer than others (significant at 0.01). Those in the finance, insurance, and real estate industry were more likely to donate, but again, the coefficient is not significant (significant at the 10% level).

Table xx: Logit estimating relationships between volunteering and occupation/industry, 2001 data

	serv_occ	prof_occ	mgr_occ	Per_ind	PA_ind	ER_ind	FIRE_ind	manu_ind
rel_hd	+	+	+	+	+	+	+	+
faminc01	+ **	+ **	+ **	+ **	+ **	+ **	+ **	+ **
edu_hd	+ **	+ **	+ **	+ **	+ **	+ **	+ **	+ **
gender_hd	- x	-	-	- x	-	-	-	-
race	+ **	+ **	+ **	+ **	+ **	+ **	+ **	+ **
childdum	+ x	+	+	+	+	+	+	+
occ/ind	- **	+ **	+	-	+	+	+	- **
constant	- **	- **	- **	- **	- **	- **	- **	- **

* = significant at 0.05; ** = significant at 0.01, x = significant at 0.1

Demographic variables are, again, very important. Religion was positively correlated with volunteering, but not significant. Larger family income and years of education tend to increase the likelihood of volunteering, both significant at 0.01. Again, coming from a racial category of "nonwhite" is associated with lower volunteering (significant at 0.01). Being a

male (single) head of household had a generally negative effect, but this was not significant at the 0.05 level for any of the analyses. Adding the category of whether children are in the household may improve the analyses, and a positive value for this variable is associated with an increased likelihood of volunteering, but it is not significant.

Because these analyses are in beginning stages, it is likely that we can improve upon the estimates. Of specific concern is that volunteering may peak when individuals reach retirement age, and when they have school-age children. We have not yet constructed a variable that captures these periods. In addition, volunteering to one's religious association perhaps colors the findings. Further analysis should try to tease out the relationship among religious giving, donating, and characteristics of individuals.

[Tables and Findings for 2003 will go here]

d. Conclusion:

TK

References

- Abbot, A. 1991. "The future of professions: Occupation and expertise in the age of organization". In P. S. Tolbert and S. R. Barley (Eds.), Research in the sociology of organizations. Greenwich, CT: JAI Press:. 17-42.
- Abrahamson, M. (Ed.). 1967. The professional in the organization. Chicago: Rand McNally & Co.
- Begun, J. W. 1986. "Economic and sociological approaches to professionalism". Work and Occupations, Vol13: 113-129.
- Bledstein, B. J. 1976. The culture of professionalism: The middle class and the development of higher education in America. New York: W. W. Norton & Co.
- Brooks, A. C. 2004. "What Do "Don't Know" Responses Really Mean in Giving Surveys?" Nonprofit and Voluntary Sector Quarterly, Vol, 33, No. 3: 423-434.
- Brooks, A. C. (2002). Charitable giving in transition economies: Evidence from Russia. National Tax Journal, 55(4), 743-754.
- Brooks, David. 2004. "Ruling Class War" The New York Times. September 11, Section A, Column 6, Page. 15.
- Clotfelter, C. T. (1997). "The Economics of Giving" in Barry, J. W. and Manno, B. V. [Eds.]. Giving Better, Giving Smarter. Working papers of the National Commission on Philanthropy and Civic Renewal. pp. 31-55
- Clotfelter, C. T. (1985). Federal tax policy and charitable giving [National Bureau of Economic Research monographs]. Chicago: University of Chicago Press.
- Crawford, S. E. S., Olson, L. R. , and Deckman, M. M. 2001. "Understanding the Mobilization of Professionals." Nonprofit and Voluntary Sector Quarterly, Vol. 30, No. 2: 321-350.
- Deb, P. Wilhelm, M. O., Rooney, P. M. and Brown, M. S. 2003. "Estimating charitable deductions in Giving USA." Nonprofit and Voluntary Sector Quarterly, Vol. 32: 548-567.
- Drazin, R. 1990. "Professionals and innovation: Structural-functional versus radical-structural perspectives". Journal of Management Studies, Vol, 27, 245-263.
- Friedson, E. 1983. "The theory of professions: State of the art". In R. Dingwall and P. Lewis (Eds.), The sociology of the professions Lawyers, doctors and others. New York: St. Martin's Press:19-37.

- Frey, B. S. and Meier, S. 2003. "Are political economists selfish and indoctrinated? Evidence from a natural experiment." Economic Inquiry, Vol. 41, No. 3: 448-
- Geison, G. L. (Ed.). 1983. "Professions and professional ideologies in America". Chapel Hill: The University of North Carolina Press.
- Hamilton, C. H. and Ilchman, W. F. 1995. "Editor's Notes" Cultures of Giving: How Region and Religion Influence Philanthropy: New Directions for Philanthropic Fundraising, Vol. 7, Spring, p. 1-7.
- Hodgkinson, V. A., & Weitzman, M. S. (1998). Responding to factual errors present in the Schervish and Havens articles, "Embarking on a republic of benevolence? New survey findings on charitable giving," and other comments. Nonprofit and Voluntary Sector Quarterly, 27(4), 522-528
- Hoge, D. R. (1995). Explanations for current levels of religious giving. In C. H. Hamilton & W. F. Ilchman (Eds.), Cultures of giving: How region and religion influence philanthropy. New directions for philanthropic fundraising (Vol. 7, pp. 51-70). San Francisco: Jossey-Bass.
- Jackson, E. F., Bachmeier, M. D., Wood, J. R., & Craft, E. A. (1995). Volunteering and charitable giving: Do religious and associational ties promote helping behavior? Nonprofit and Voluntary Sector Quarterly, 24(1), 59-78
- LeClair, M. S. and Gordon, K. 2000. "Corporate support for artistic and cultural activities: What determines the distribution of corporate giving?" Journal of Cultural Economics. Vol. 24, Iss. 3; p. 225.
- Litz, R., & Stewart, A. C. (2000). Charity begins at home: Family firms and patterns of community involvement. Nonprofit and Voluntary Sector Quarterly, 29(1), 131-148.
- Morgan, J. N., Dye, R. F., & Hybels, J. H. (1977). Results from two national surveys of philanthropic activity. In Research papers sponsored by the Commission on Private Philanthropy and Public Needs, Vol. 1 (pp. 157-323). Washington, DC: U.S. Department of Treasury.
- Powell, W. W. and DiMaggio, P. J. [Eds.]. 1991. The new institutionalism in organizational analysis. Chicago: University of Chicago Press.
- Prasad, P. and Prasad, A. 1994. "The ideology of professionalism and work computerization." Human Relations, Vol. 147, No. 12:1433-1459.
- Schervish, P. G., & Havens, J. J. (2001). Wealth and the commonwealth: New findings on wherewithal and philanthropy. Nonprofit and Voluntary Sector Quarterly, 30(1), 5-25
- Steinberg, R. (1990). Taxes and giving: New findings. Voluntas, 1(2), 61-79.

Steinberg, R. and Wilhelm, M. 2003. "Patterns of Giving in COPPS 2001" Paper prepared for presentation at the annual conference of ARNOVA, Denver, Colorado.

Wilhelm, M.. 2003. "The Distribution of Giving in Six Surveys" Working Paper. Indianapolis: IUPUI Department of Economics.

Wolfe, A. (1998). What is altruism? In W. W. Powell & E. S. Clemens (Eds.), Private action and the public good (pp. 36-46). New Haven, CT: Yale University Press.

¹ The outcomes in our model are discrete (0,1, either an individual gave or volunteered, or she did not). The nonlinear function form is used because probability is constrained between zero and 1, so we need to be able to translate the information from continuous independent variables into the interval [0, 1]. We ran OLS models, which provide the starting point for maximum likelihood estimations, and also linear probability models, and probit models, to compare analyses.