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Give and take in major gift relationships

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Abstract

This article investigates the complex phenomenon of major gift giving to charitable institutions. Drawing on empirical evidence from interviews with 16 Australian major donors (who gave a single gift of at least AU\$10,000 in 2008 or 2009), we seek to better understand donor expectations and (dis)satisfaction. Given growing need for social services, and the competition among nonprofit organisations (NPOs) to secure sustainable funding, this research is particularly timely. Currently, little is known about major donors' expectations, wants and needs. Equity theory, with the concept of reciprocity at its core, was found to provide a useful framework for understanding these phenomena. A model of equitable major gift relationships was developed from the data, which portrays balanced relationships and identifies potential areas of dissatisfaction for major donors. We conclude by offering suggestions for NPOs seeking to understand the complexities of major gift relationships, with practical implications for meeting donors' needs.

Key words: major gifts, reciprocity, equity theory

Give and take in major gift relationships

Introduction

A plurality of funding sources operate within the Australian nonprofit (NP) sector and this article investigates one of the lesser explored areas: the complex phenomenon of major gift giving to charitable bodies. In particular, better understanding of donor expectations and (dis)satisfaction is sought. Currently, little is known about Australian major donors' expectations or their views on the partnership created by their funding of a non-profit organisation's (NPOs) activities. Yet, in the face of ever increasing demands and competition, more organisations may need to look beyond their traditional funding sources. This article draws on empirical evidence from interviews with 16 Australian major donors, defined as those who gave at least a single gift of at least AU\$10,000 in 2008 or 2009, to identify what constitutes from their perspective a good or bad major gift relationship. The insights gleaned from this research have implications for how major gift relationships are understood and practised. Equity theory, with the concept of reciprocity at its core, provides a useful tool to help explain the research findings.

Background

Australia, like many similar Western countries, is facing a range of social challenges. Australia has been described as one of the most unequal countries in the developed world (Wilkinson & Pickett 2009), especially in light of the high levels of disadvantage experienced by Australian Aboriginal and Torres Strait Islanders (Smyllie et al. forthcoming). Additionally, it is facing a rapidly ageing population, which has implications likely to reduce the taxpayer base and increase demands on aged assistance (Madden 2006b). Increasingly, responsibility to meet these social needs is shifting towards nonprofit organisations (NPOs) who deliver welfare and other services. The philanthropic sector has also recognised its responsibility in helping to address these issues (Addis & Brown 2008) and efforts in recent years have sought more focus and collaboration in such funding via affinity groupings of private givers¹. Within national governments, policies from the 1990s onward have generally promoted concepts of 'mutual obligation', aimed at growing philanthropy and volunteering while also regulating against improprieties (Crimm 2002; McGregor-Lowndes et al 2006; Madden 2006b). These policies have included several tax incentives to encourage philanthropy, such as cultural and environmental giving mechanisms and the creation of the Prescribed Private Fund vehicle for corporate and individual giving (now known as Prescribed Ancillary Funds), and the establishment of facilitating bodies such as the erstwhile Prime Minister's Community Business Partnership and Artsupport.

¹ These include Philanthropy Australia's Addressing Homelessness, Aging Futures, Indigenous, Arts, Disability, Education and Rural and Regional affinity groups and organisations such as the Australian Women Donors Network, the Australian Environmental Grantmakers Network, Artsupport and Research Australia Philanthropy.

It should be noted that private funding as an appropriate NPO sustainability mechanism is sometimes criticised on a philosophical basis: it may represent government shirking its responsibilities or funding may be ill-applied (Dasgupta & Kanbur 2011; Gaberman as cited in Moran 2010; Reich 2005). The philanthropic sector reports its role as a complement to, rather than substitute for, government funding and that it can more readily finance risky, sensitive, long-term issues than the state or business (Gaberman as cited in Moran 2010). It also suggests the sector 'sees what falls through the gaps in terms of social and economic policy' (Bonyhady & Anderson 2007:4).

Whether or not private funding is a flawed model, the limits to public funding mean many charities in Australia are seeking to know more about alternatives to government support as they face funding pressures and strain to cover operational costs (ACOSS 2005). As such, there is a growing willingness by Australian NPOs to embrace philanthropy and seek more information about raising funds from the community (Madden 2006b). Major gifts in particular are often highly valued by organisations because they tend to be more reliable and flexible than other sources of funding (Sargeant et al. 2002). Once a donor makes a major gift, it is common that further major gifts may go to that organisation in the future. While comparable Australian data does not exist, in the U.S., many NPOs receive more than 90 per cent of their philanthropic revenue from 10 per cent of their donors, making major gift prospects the 'lifeblood of any fundraising campaign' (Heetland 1992; Kotler & Scheff 1997; Fredricks 2006). There is no firm definition of a major gift. It is generally regarded as a single gift that has the capacity – by itself - to make an impact on the recipient organisation. The actual amount involved will depend on the previous gifts that the organisation has received and on its future goals (Sargeant et al. 2002). This study defines a major gift in monetary terms as AU\$10,000 or more. However, the value of major gifts can extend into the millions and beyond. In the United States, the top 50 philanthropists donated US\$3.3 billion in 2010 (Chronicle of Philanthropy 2011). Australia has also witnessed a string of major gifts in recent years, such as businessman Greg Poche's AU\$10 million to The University of Sydney to establish a Centre for Indigenous Health (Meacham 2008). Such donations are sometimes referred to as 'transformational' gifts.

One of the factors distinguishing major gifts from many other donations is their planned nature (Fredricks 2006). Such gifts are deliberate and well considered. Because of their significance to both donor and recipient, a major gift is said to represent an 'investment' (Fredricks 2006) and recent Australian research confirms donors distinguish such gifts from smaller ones, which are seen as 'support' (Scaife et al. 2011). The literature suggests that generally speaking, donors choose to make such gifts based on belief in the cause or organisation they are supporting (Bekkers & Wiepking 2010). Through these gifts, major donors make significant contributions to NPOs and the communities they represent.

Research has found that it is wealthy individuals who have a greater capacity to make gifts of this nature (Madden & Scaife 2008; McGregor-Lowndes & Hoffmann 2010), and it follows that the potential for major gifts grows with increasing wealth. Despite the world's recent economic crisis, both wealth and philanthropy continue to grow. In Australia alone, the number of individual Australians with a taxable income of more than AU\$1 million nearly quadrupled (from 1,643 to 6,395) in the six years to 30 June 2009, according to the latest available data (McGregor-Lowndes & Marsden 2005; McGregor-Lowndes & Pelling 2011). Charitable giving is also on the rise in Australia, both in terms of participation rates and total value (McGregor-Lowndes & Hoffmann 2010).

In recent years, the scientific study of giving and volunteering has advanced significantly, especially in regard to donor motivations. Drawing on more than 500 empirical studies on philanthropy, Bekkers and Wiepking (2010) identified eight stimulants of giving, including an awareness of need; response to solicitation; evaluation of the financial costs and benefits (giving costs money but some of the costs can be alleviated through taxation benefits); altruism (that is, they give because they care); reputation (giving as a means to improve one's social standing); psychological benefits (to experience the joy of giving or alleviate guilt); expression of personal values; and efficacy (knowing the difference that a gift will make). The Australian Bureau of Statistics' Voluntary Work Survey (2006) identified concern for others' basic welfare needs as the greatest incentive for Australians to give monetary donations.

In many respects, the affluent cohort give for the same reasons as other donors - most commonly, a passion for a cause and a strong belief in the worthiness of an organisation (Lloyd 2005; Madden 2006a; Taylor et al. 2007). However, high-level giving can be more complex. In addition to large amounts of money, major gifts can involve high levels of donor involvement, expectations, and motivations (Madden & Scaife 2008). Some studies have sought to profile major givers according to their motivations and giving style, ranging from Prince and File's 'seven faces of philanthropy' (1994) to Taylor and colleagues' (2007) categorisation as large or small, committed or ad hoc, frequent or infrequent, or more recently the BNP Paribas study (Abeles & Kohler 2009) that typed European major supporters as reasoned or passionate.

Despite these insights into the different motivations for giving, little is known empirically about major donors' expectations once they have decided to give a major gift.

Norm of reciprocity

The norm of reciprocity implies that when one party receives something from another, some form of return is required (Gouldner 1960). The desire to give something back after receiving a gift is a well established social convention (Dillon as cited in Hatfield & Sprecher 1983). Indeed, anthropologists have identified reciprocal gift-giving practices throughout history (for an overview of giving practices in the Pacific, Native American, Indian, and German traditions, see Hatfield & Sprecher 1983; Lombardo 1995). Such practices are a way of expressing feelings, building social bonds, maintaining social order, and asserting status. They are evidenced in contemporary Western society through birthdays and religious rituals (Lombardo 1995).

In a contemporary major gift scenario, donor expectations surrounding reciprocity are unclear and such gifts often happen in a tightly constrained social environment. Little is known empirically about what might be an acceptable form of reciprocity; or if it is even possible to adequately reciprocate a very large gift. Indeed, there is no guarantee of any form of return for the donor. However, research suggests that reciprocity is implicitly expected as gift giving creates a temporary imbalance in a relationship, which results in an obligation for repayment. To some extent this challenges how we typically think of helping behaviour, such as major gift giving, because it implies that donors should get something in return for their gift, in contrast to popular conceptions of purely altruistic or selfless giving. Perhaps intuitively though, the norm of reciprocity is recognised by seasoned professional fundraisers. Nurturing relationships with major gift donors has long been a key part of fundraising best practice, albeit often in larger or mature organisations accustomed to this fundraising method. The concept of donor relations includes acknowledgement, recognition and reporting, all of which may be forms of reciprocity (Harrison 1996; Kelly 1998). Yet the desire for such information and accolades varies greatly between donors, making the nature, degree and timing of reciprocity highly individual.

In this discussion, it is also important to note that the forms of recognition and reciprocity that Australian deductible gift recipient organisations are able to offer their donors are constrained by tax law. The Australian Taxation Office addresses this issue in Taxation Ruling 2005/13 (ATO 2005). If a donor is deemed to have received a material benefit or advantage in return for their donation, then it is no longer regarded as a gift, and the donor is not able to claim the gift to reduce the amount of their taxable income. For the purposes of this study, therefore, it is the allowable, non-material forms of reciprocity, such as donor acknowledgement and the provision of information that are in play.

For some donors, the return for their gift may come in less tangible forms than those prescribed by donor relations, such as social or psychological benefits. Research suggests giving is often rewarded by social approval; it can contribute to one's social standing and self image and be a source of positive feeling or 'empathetic glow' (Andreoni 1989; Batson & Shaw 1991; Horne 2003; UK Giving

2005; Bekkers & Wiepking 2007). For other donors, giving is seen as a way to repay society for their good fortune and success, in which case they may feel uncomfortable about 'over benefiting' by accepting further 'compensation' in the form of recognition from the recipient organisation. Such donors may choose to give anonymously or confidentially. Given these complexities, it is important that NPOs operating in this space better understand donors' expectations in terms of reciprocity for their gift.

Method

As this research sought to understand the breadth and depth of major donor experiences and expectations, a qualitative methodology was employed. A combination of semi-structured, face-to-face and telephone interviews was chosen as the most appropriate data collection method for this study, given the wide geographic spread of major donors across Australia. Interviewing is the most common and accepted method of qualitative research as it allows researchers to access individuals' perception of their world and experiences (Mason 2002; Miller & Glassner 2004; Southall 2009).

To capture a range of major donor experiences, the sampling strategy was based on diversity. The research was advertised as widely as possible through relevant websites that are visited by major donors, for example, Philanthropy Australia. Through this mechanism, interested major donors were able to self nominate. Professional fundraisers known to the research team were also asked to extend the invitation to participate to donors with whom they have a relationship.

Even though some participants were invited through a fundraiser, this was not considered to affect the data, as they were not asked to identify specific organisations in the interview. Because the sample was largely made up of self-nominated major donors, participants were not representative of the entire Australian population or all major givers. Indeed there is no way currently to identify that population as a whole. Participants were likely skewed towards those that have had positive associations with philanthropy. However, participants generally expressed diverse experiences with multiple organisations and as such it is thought that a broad range of perspectives were voiced.

In total, 16 major donors (including representatives responsible for major giving in three cases) who gave a gift of more than AU\$10,000 in 2008 or 2009 participated in the study. They were from a variety of urban and regional locations in New South Wales, Queensland, South Australia, Victoria, and Western Australia. Participants also came from a variety of backgrounds in terms of wealth accumulation; number, frequency and value of gifts given; preferred giving vehicles and cause areas; age and gender. While the researchers purposively sought a diverse sample, no interested participants were turned away. In total, of the 16 participants,

- Five were female and 11 were male;
- Five were based in NSW, four in WA, three in VIC, and two each QLD and in SA;

- Five gave primarily to the arts, four to education, two to welfare and one each to medical, environment, and youth (although most gave to more than one cause area);
- Ten gave in a structured manner through some sort of foundation or trust and six gave in an unstructured manner
- Fifteen have given more than one major gift in their life time and the 16th planned to give further major gifts in the future.

Participant occupations and wealth sources are retained to ensure they will not be identifiable to readers, as some participants are well known public figures. A summary of donors' characteristics is displayed in Table 1 below.

(Insert Table 1 about here)

Participants were asked about their background with and motivations for philanthropy, their relationships with the organisations they support, and their attitudes towards different forms of recognition for their gift. Specifically, they were asked to provide examples of good and bad experiences and articulate their ideal relationship by suggesting recommendations for how organisations should manage their major gift donors.

The interviews were audio recorded and transcribed. Data were analysed using NVivo 8, a qualitative software program that allows researchers to manage, sort, and make sense of information. Initially an inductive thematic analysis was conducted to identify any interesting patterns in the data (Braun & Clarke 2006). Subsequently, a 'theoretical' thematic analysis was conducted. This approach focuses less on describing the whole dataset and more on a detailed analysis of a specific aspect of the data (Braun & Clarke 2006). In this case, exploration of relationship aspects, including reciprocity, explicitly informed the second stage of analysis.

Findings and discussion

The research provided many interesting insights into major donors' expectations and experiences, both positive and negative, which are detailed below. This is followed by a discussion of possible mediating factors, which may help to explain differences between donors.

Good major gift relationships

Major donors were asked to provide examples of their ideal major gift relationship, where they felt really satisfied. The following outlines how two participants described their ideal relationship:

We probably developed a relationship about two or three years ago... We went out and had a look over their current premises and she was very pleasant...right from

that word go, she followed up in a very efficient, very effective manner. Getting the funds together she showed us that she already had funds from [other philanthropists], from the government, there was a personal contribution from the [organisation] itself. We gave our funding, immediately we got a thank you letter... [We] were invited to a dinner with other sponsors and we were acknowledged. Then, over the coming years, rather than just say, great, we've got their cheque; end of story, she touches base... it's a very personal relationship. They respect us and treat us with respect and that one's worked really, really well.

Female, medical donor (frequent, structured) in WA

The positive ones have been where I've known the people...they've come to see me personally, armed with good information, talking about it in a professional way... somebody who I felt was genuine ... I think these relationships are very important.

Male, education donor (frequent, unstructured) in WA

Participating major donors expressed wide-ranging views about their expectations for organisations, but importantly, they all expressed some expectations around reciprocity. Not all, but some donors were very clear about what they wanted the organisation to provide in return for their gift:

I absolutely definitely want a letter and probably a phone call too acknowledging that they've received it, thank you and this is what we plan to do with it. I really do want that definitely.

Female, arts donor (frequent, structured) in NSW

I need further information. Who else is supporting you? How many people? What are your running costs? How many volunteers? Basic information resources that the organisation can provide us with.

Female, medical donor (frequent, structured) in WA

Clearly tax deductibility is important.

Male, arts donor (frequent, unstructured) in NSW

The most commonly identified expectations from organisations were effective communication, expressions of gratitude, regular updates, tax deductions and public recognition. These are common aspects of donor relations (Kirkman as cited in Grant & Wolverton 2003). The information component of these expectations underlines that people give to organisations they know and trust and that giving flows when a trusting relationship is in place between the donor and the organisation, a

topic well explored by writers including Berg (2011) and Grëiling (2007:3). Grëiling highlights the asymmetry of nonprofit life where the 'persons who finance the service are also often not present when the service is provided. They may therefore look for signals of trustworthiness'.

In addition to these tangible benefits, many donors also reported on intangible ones. In particular, expressing a form of moral individualism many donors reported receiving emotional or psychological rewards from giving itself, rather than any actual response from the recipient organisation. Several participating major donors spoke of such rewards:

[It] makes you feel good that you're doing the right thing
Male, environment donor (frequent, unstructured) in WA

It's really, really, really satisfying
Male, education donor (frequent, structured) in SA

Poor major gift relationships

Despite reciting many good experiences, all participants were able to cite bad experiences in their relationships with recipient organisations, to varying degrees and impacts. Primarily participants appeared dissatisfied when they felt they were under- or over-serviced.

It's disappointing when organisations don't get the basic things right in terms of keeping you up to date
Male, welfare donor (frequent, structured) in NSW

I'm quite overwhelmed by them inviting me to functions that they have or keeping up to date with the work they're doing.
Female, education donor (frequent, unstructured) in WA

Interestingly, almost all (14 of 16) participants in this study expressed real tensions in how they felt about accepting returns for their gift. On the one hand, they did have expectations, which they wanted to be met by the recipient organisation, yet on the other, they did not want to make demands or ask for anything in return for their gift, possibly for fear this would sully the altruistic spirit with which it was given. However, they still expressed their expectations in the interview and reportedly were disappointed if needs were left unmet.

I didn't make any demands. I didn't say as part of my gift that I expected to receive this information, that information or the other. I guess I rather assumed that they would provide that to me.

Female, arts donor (frequent, structured) in NSW

...You just get a receipt and that's the end of it - I don't expect any more but it's awfully nice if they then do put you on their little mailing list just keeping you up to date...even though we all say we don't want to be acknowledged, I think that acknowledgement is good and just being a bit friendly, keeping in touch.

Female, education donor (frequent, unstructured) in WA

This dissatisfaction elicited an emotional response from participants, who sometimes felt disconnected, neglected, or taken for granted.

They forget about you. They just kind of think, oh well we've got that one secured and so their priority goes on to new things or new donors or new projects. Again, I don't think I'm a particularly demanding donor but ... when people don't do something they say they're going to do, then you kind of start to think, well you know it's not that hard, one phone call every six months, it's not that hard... I think people can get a bit, you know they take something for granted.

Male, welfare donor (frequent, structured) in NSW

Donors appeared to have different strategies for dealing with potentially bad experiences. Some simply decreased their involvement, while others operated on a trial and error basis, whereby they would give a smaller sized gift as a way to test out how the organisation might behave with a larger gift:

I gave them a small amount of money and I thought I'd just see what was going on.

Female, arts donor (frequent, structured) in NSW

Often, donors expressed a great deal of understanding about the challenges faced by recipient organisations and despite their disappointment over unmet expectations, gave repeated gifts, in an attempt to provide an opportunity for the organisation to alter their behaviour. As such, many participating donors considered themselves to be quite patient and flexible with regard to their major gift relationship. However, it was observed that major donors rarely actually communicated the fact that they were dissatisfied to these organisations, nor were they likely to propose solutions and clearly articulate what they wanted to organisations. It seemed that major donors felt organisations should intuitively understand their wants and needs, or at the very least take the time to try and find out. However, given that donors themselves often had trouble articulating their expectations, it could be almost impossible for organisations to predict. If major gift recipients are unaware that their donors

are dissatisfied, they are unlikely to change their behaviour, and may perceive repeat gifts as a sign that donors are happy, ignoring any opportunity to improve.

Very dissatisfying major gift relationships

In the worst cases, where donors were extremely unsatisfied with their relationship, they would end it. This was surprisingly more common than anticipated, with half of the participants ending major gift relationships because of dissatisfaction. Just as donors have different motives, barriers and expectations for giving, they also appear to have different triggers when it comes to ending a major gift relationship. A significant trigger appears to be a lack of confidence in the organisation's ability to spend the money effectively. This lack of confidence was in some instances driven by a perception of overspending or simply a lack of adequate communication explaining how money was spent. For some it was about the people involved.

One [organisation] that we've given millions and millions of dollars to...We've stopped giving because we don't like the management team...You can't trust that he'll send a thank you...I really wonder whether our funds would have been better spent elsewhere...

Female, medical donor (frequent, structured) in WA

I think if they weren't clever enough to recognise us and say hello, then – and that's where it stops.

Male, arts donor (frequent, unstructured) in NSW

They go overboard in the costs that they spend. You get these fancy invitations with pull out this and that...I think if they've spent \$10,000 on these invites, they don't need our funding.

Female, medical donor (frequent, structured) in WA

Mediating factors

Most, if not all, participants reported a range of good and bad experiences with the organisations they support, whereby their expectations were or were not matched. Interestingly, those expectations varied within and between donors. That is, the same donor can potentially have different expectations for different major gift relationships. This suggests there are not only different rules for different donors, but different rules for different exchanges, begging the question – what mediates major donors' perceptions of service quality or reciprocity? That is, if the same type and level of service is acceptable in one set of circumstances, but unacceptable in another, what are the mediating factors?

Several key concepts emerged from the data that may provide insights into these questions: giving motivations, the essential basic elements or 'Hygiene Factors' of major giving, and the degree of closeness in the relationship.

Giving motivations

Motivations clearly influence why donors give and to which causes (Bekkers & Wiepking 2010). Yet they also appear to affect what donors expect in return for their gift. Two interrelated motivations that appear to influence donors' expectations are altruism and responsibility or 'giving back'.

The nature of altruism continues to be a significant source of debate in the social sciences, with some questioning whether there is even such a truly selfless act (Maner & Gailliot 2007). Typically, altruism is defined as behaviour that is both voluntary and intentional; an act that does not benefit, and may even have costs for the helper (Collett & Morrissey 2007). This implies that if a major donor receives any benefit from the donation, the act is not an altruistic one. Yet most major donors, certainly those in this study would describe their giving as altruistically motivated. This may in part explain the sense of inner conflict that many participants expressed over accepting returns such as recognition or invitations for their gift. This finding may relate to competing social norms around altruism, which suggests that people give freely, without expectation, to alleviate social needs, and generosity, which should be recognised and rewarded to encourage further generosity (Hatfield and Sprecher 1983). In the case of major gifts, distinctions between altruistic or selfless giving and self-interested giving may be ultimately unhelpful. In reality, most major donors probably act with a degree of altruistic and self-interested intent. As Lombardo (1995: 293) noted, 'the tendency to juxtapose altruism and self-interest as mutually incompatible is inconsistent with the complexity of human and organizational motivation'. Indeed, the presence of external incentives, such as tax benefits may be at odds with other motivating factors such as image, as social approval of donation behaviour may be lessened if an act is thought to be motivated by external rather than altruistic motivators (Ariely et al. 2009).

The concept of social responsibility or the motivation to give back is also likely to impact donors' expectations for reciprocity. Indeed, several participants reported giving as a way of 'returning the favour' to society. Some major donors could consider their gift to be a repayment to society for their good fortune and success. As such, an element of reciprocity has already occurred in the donor's mind. Society has given them opportunity and they have reciprocated with a donation intended to benefit society. Additional returns for their gift may be seen as creating a new sense of imbalance, especially when coupled with altruistic intentions. Organisational attempts to reciprocate a major gift by providing incentives and benefits may inadvertently clash with donors' expectations. Donor motivations can provide insights into their expectations.

Essential basic elements

Peace of mind appeared extremely important for a good relationship. In the major gift donor examples in this study, faith and trust in the organisation were developed through the provision of information, site visits, demonstrations of other funders' commitment, and a sense of genuineness. This is not to say that major donors are giving *for* these reasons, just that they do *expect* them. A donor does not give simply because they want to exchange their money for information about the organisation. More likely, they are obtaining information to help them make the donation decision and then to understand how their gift has been used. However, that does not make these elements any less important in a major gift relationship.

Drawing on Herzberg (1959), Ross & Segal (2008) suggest that certain elements, known as Hygiene Factors, are expected and must be in place to provide a sense of security. They are only noticed in *absentia*. Ross & Segal suggest organisations must address these basic elements by offering security that the organisation is stable, financially and administratively; and assuring credibility via track record.

Some of these elements may be considered more akin to the removal of barriers than the addition of motivators. This finding suggests a distinction between major donors' motivations to give and ongoing expectations as the relationship builds, with the latter likely informed by the former.

The context of the research on the degree of relationship closeness

Different types of relationships carry different expectations surrounding reciprocity. Casual relationships are typically short term, simple exchanges, where reciprocity is limited and immediate. In the Taylor et al (2007) typology of UK major givers, the ad hoc label might apply. Close relationships, in contrast, are longer term and more complex; expectations are more intense, parties are concerned for each others' welfare, and mutual favours and cooperation become the norm (Hatfield & Sprecher, 1983). Because there is a sense of obligation to help each other, less gratitude is expressed in return and reciprocity is not expected immediately. As the relationship is long term, there is also more time to reciprocate. In this Australian study, participants depicted a range of relationships. Those most preferred were often described as personal and long term, suggesting a preference for close relationships. However, it is uncertain how much ongoing closeness really exists between donors and charities. Relationship status was quite fluid, with donors regularly upgrading and downgrading (and occasionally ending) their giving, raising questions over the endurance of strong bonds between donor and organisation in some instances.

Several studies have shown a positive correlation between relationship closeness and a willingness to help (Cialdini et al. 1997; Maner & Gailliot 2007). While this focus has been more along the spectrum from stranger to family member, they do form a metaphor for organisational relationships with donors perhaps. Supporters begin as strangers to the organisation and its work and through good information and involvement deepened donor relationships evolve that clearly assist organisations seeking long-term, sustainable funding. The donor in this metaphoric sense may become part of the charity's 'family' of supporters. Indeed, the philanthropic literature increasingly posits that the trend towards more engaged, investment-style donors is a step towards greater donor involvement and increasingly close philanthropic relationships based on shared values and mutual understanding (Siegel & Yancey 2003; Grace, 2005).

While it might be reasonable to assume that close relationships are more desirable than casual ones, they both pose risks. Casual relationships are generally professional in nature and typically require less gratitude; however, they can also result in donors feeling disconnected. In a more personal, long-term major gift relationship, organisations may become too complacent in how they reciprocate a gift. These circumstances can lead to donors feeling taken for granted.

Implications for theory and practice

This study sought to better understand the complex social phenomena of major gift giving and the relationship between major donors and the organisations they support. One possible theoretical explanation for the findings here lies with equity theory, which has the concept of reciprocity at its core (Adams 1965; Carrell & Dittrich 1978). It fits with the way major donors described their relationships with the organisations they support and may help to explain satisfaction (or lack thereof) in such scenarios. Equity theory is concerned with perceptions of fairness in social exchanges and has been applied to both casual and close relationships. In essence, it assumes that ideal relationships are based on reciprocal exchanges, which are perceived of as equitable and fair by both parties. However, as it has not explicitly been applied to major gift giving scenarios previously, equity theory tells us very little about what might constitute an acceptable form of reciprocity. There is no well defined market-value when it comes to social exchanges (Roberts 2008). If one person feels under or over compensated in an exchange, they may feel resentful or guilty for getting more or less than they believe is deserved (Adams 1963). The resulting sense of imbalance can lead to distress and ultimately damage the longevity of the relationship.

Building on theoretical frameworks and empirical data from interviews with major donors, a model representing major gift relationships from an equity perspective was developed. Participants' experiences suggest that the ideal major gift relationship is one of balance: neither under-compensation nor over-compensation; neither too casual nor too close. Of course, the line will vary

according to individual donors, based on their own motivations and expectations for giving, and is likely to be dynamic over time.

(Insert Figure 1 about here)

The model demonstrates that the most stable major gift exchange and hence, the most likely to lead to ongoing, stable funding is well balanced on scales of reciprocity and closeness. If a major donor feels they are being over- or under-compensated for their gift, as was evidenced in the data, they are likely to feel guilty or resentful, respectively. If the relationship is too casual, the donor may feel disconnected. If it is too close, they may feel taken for granted, or conversely overwhelmed by too much attention. Based on these two continua, a model for psychological harmony emerges.

To test and further refine the model, quantitative research would enable the development of indicators on the two continuums. Characterising different points on the scale would allow organisations to more accurately plot their major donors to evaluate the overall stability of each relationship; and represents a possible future research agenda.

Conclusions

As illustrated, major donors have varied and complex motivations, expectations, and emotional responses when it comes to giving and receiving, and some understand and articulate these with a greater clarity than others. A prescriptive, checklist approach to meeting major donors' wants and needs will never be very effective. Organisations should consider donor perspectives when trying to shape individual relationships. Importantly, this research indicates that organisations do owe major donors something in return for their gift, even if that gift is altruistically motivated. It is up to the organisation to find out what. However, major donors arguably also have an interest in communicating their expectations to the organisations they support if they too are seeking a satisfying relationship. The model developed in this article may help NPOs to identify and avoid potential danger zones, or areas of dissatisfaction for major donors. From this, organisations can develop an appropriate course of action to ensure donor satisfaction, tailoring the relationship to provide the desired balance.

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Table 1: Participant Characteristics

Participant	Characteristics
1	Representative of male, arts donor (frequent, structured) in VIC
2	Male, arts donor (frequent, unstructured) in NSW
3	Male, medical donor (frequent, unstructured) in NSW
4	Male, welfare donor (frequent, structured) in NSW
5	Male, education donor (frequent, structured) in SA
6	Male, education donor (frequent, structured) in SA
7	Male, environment donor (frequent, unstructured) in WA
8	Male, education donor (frequent, unstructured) in WA
9	Female, education donor (frequent, unstructured) in WA
10	Female, youth donor (frequent, structured) in NSW
11	Female, medical donor (frequent, structured) in WA
12	Female, arts donor (frequent, structured) in NSW
13	Female, welfare donor (one-off, unstructured) in VIC
14	Representative of male, arts donor (frequent, structured) in VIC
15	Representative of male, rural donor (frequent, structured) in QLD
16	Male, arts donor (frequent, structured) in QLD

Figure 1 – Model of Major Gift Relationships

