Perspectives on Funding in the Irish Voluntary Sector: Theory & Practice

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PERSPECTIVES ON FUNDING IN THE IRISH VOLUNTARY SECTOR: Theory and Practice

This research paper is focused on funding patterns in Irish voluntary organisations. To open the debate and set the discussion in its broader context, a brief overview of voluntary action in Ireland is presented. This is followed by an exploration of the main streams of funding which are available in support of voluntary action, including statutory, corporate and individual sources. Then, building on this broad overview of funding practices, a report is presented on empirical research undertaken in order to provide insights into the funding sources used by a cross-section of Irish voluntary organisations.

OVERVIEW OF THE IRISH VOLUNTARY SECTOR

Ireland has a long-established and vibrant voluntary sector. In the last century, minimal statutory provision was greatly augmented by the work of numerous voluntary bodies (Hayes 1996). Then, in the earlier part of this century, further large voluntary agencies were established, e.g., Muintir na Tire and the Catholic Social Service Conference (now Crosscare). Moving on to the late 1960s, despite improvements in statutory provision, there was still an upsurge in voluntary action, with new organisations such as the Simon Community and the Samaritans being set up here (Curry 1980). A more recent study of 250 organisations by Ruddle & Donoghue (1995) established the strong growth of this sector in the past two decades as the average age of the cohort studied was 17 years. Currently, as Lacey (1998:20) reports, 'many essential services are provided by voluntary organisations and the role of the sector in delivering social services, combating poverty and in community development is growing'.

This brief overview suffices to establish the continuous contribution of voluntary action in Ireland over time, thus maintaining a rich tradition which still remains an important feature of contemporary Irish society.

FUNDING OF VOLUNTARY ACTION

Voluntary organisations, in common with all other undertakings, are established with some purpose or goal in view. In the language of systems theory, these organisations are open systems (Daft 1994) and therefore need input from their environment in order to survive and achieve their goal. It is an inescapable fact that
‘even altruism needs resources to thrive’ (Leat et al 1986:140). Traditionally, many voluntary bodies operated as ‘closed systems’ (Kast & Rosenzweig 1985), at least in terms of funding. Hartogs & Weber (1978:2) describe this situation: ‘Boards of directors were truly in charge. They gave the money, made the policies, saw to their implementation’. In other words, the operation was a relatively ‘closed shop’ in terms of external influences, as a group of concerned individuals both provided and disbursed the funds of their organisation. Now this situation has changed. Things are different; patterns of funding are more diverse and there is a separation between organisations and funding sources (Hayes 1996). In practice this means that organisations have to tap into external sources in order to obtain money to finance their operation.

This study explores some of the main sources of income which are available to sustain voluntary action. One very significant departure from former times in the increasing reliance on statutory funding. Although this source is now available to many voluntary organisations in Ireland, it does not meet total demand. Therefore other avenues have to be explored, including corporate donations and various funding activities aimed at attracting contributions from individual donors. Each of these funding sources is now reviewed in more detail.

**FUNDING FROM STATUTORY SOURCES**

Statutory funding now constitutes an important source of finance for voluntary action. In the US, Kramer (1987) states that government support is the most important source of revenue for voluntary sector institutions. Salamon (1987:99) clarifies the position even further, stating that ‘government has become the single most important source of income for most types of non-profit agencies, outdistancing private charity by roughly two to one’. State funding for voluntary organisations is likewise a key factor in the UK. According to Norton (1985), there is scarcely a government department in the UK which does not make a contribution to the voluntary sector.

The Irish situation is quite similar, with an increasing number of voluntary bodies seeking government funding in order to finance their work. A government committee on fund-raising reported that most voluntary bodies now depend to a greater or lesser extent on financial support from the State (Report on Fundraising 1990). Figures in the recently published Green Paper on the voluntary sector (Supporting Voluntary Activity 1997) provide some measure of the extent of State support for
voluntary action. This report indicates that a total of £487.4 million is received from the State and EU sources in support of the voluntary and community sector (Supporting Voluntary Activity 1997:47). However, £288.8 million of this refers to FAS employment schemes, the primary purpose of which are to provide training and employment opportunities for the unemployed, while resourcing the voluntary sector is a secondary aim. This leaves a balance of just under £200 million in more direct support of voluntary action.

While this can be regarded as a significant input from the State purse, some problems in accessing the funds have been highlighted by recipients. For example, Sexton (1993:41) reports that ‘the sources can be quite varied, the criteria and conditions attached differing from one source to another and the method of operation and accountability quite difficult and complicated’. A more recent report by the Controller & Auditor General endorses this point. It reveals that £126,000 allocated to the Western Health Board in support of voluntary action had not been paid out as the voluntary bodies in question had difficulties in meeting that Board’s accounting requirements (Wall 1997). In their study of 46 voluntary organisations, Faughnan & Kelleher (1993:19) provide evidence of similar constraints, while Donoghue (1998:17) notes that ‘the ad hoc nature of funding arrangements . . . means that voluntary groups are rarely sure of their allocations ex ante, thereby making long-term planning very difficult’.

While allocations from statutory sources benefit many voluntary agencies, there are others which receive little from this source. Ruddle & Donoghue (1995:vii) report that ‘Irish organisations are less likely than those in many European countries to receive government funding’. In their research referred to above, Faughnan & Kelleher (1993:13) identify tremendous variation in the allocation State funds among their study cohort, reporting that ‘the extent and scale of statutory funding . . . varied greatly from zero to 100%’. A similar spread was found in research undertaken by this researcher (Hayes 1996).

Therefore it can be concluded that statutory funding now constitutes a significant source of revenue for the Irish voluntary sector, in keeping with patterns in the UK and the US. However, it is not available to all organisations and even those which have access to it can often face challenges in complying with the requirements of the relevant statutory authority.
CORPORATE FUNDING

Another stream of revenue for voluntary organisations flows from the corporate sector. This funding is underpinned by the concept of corporate social responsibility (CSR) which centres on 'management's obligation to make choices and take actions that will contribute to the welfare and interests of society, as well as to the organisation' (Daft 1994:160). In turn, this social role for business is rooted in the fact that 'business, like any other type of organised enterprise, must interact with, and live in, its environment' (Weihrich & Koontz 1993:67). The CSR perspective reflects the interdependency between society and business.

Zenisek (1979) suggests that 1960 marks the beginning of contemporary dialogue regarding the role of corporations in society. There are two major schools of thought on this role. One is based on the rather narrow view of the American economist, Milton Friedman (1970) who believes that business has only one social responsibility - to increase profits. He considers that those in charge of a business are employed to generate wealth for shareholders, not give it away. However, many others disagree with Friedman's stance. They take the position that business does not have an unquestionable right to operate in society and to do as it wishes. In systems terms, they see business as 'one of many sub-systems in the wider social system' (Boddy & Patton 1998:428). This gives rise to CSR. Carroll (1979) presents a model for evaluating CSR which subdivides it into 4 areas - economics, legal, ethical and discretionary responsibility. The last of these - discretionary activities - which includes 'generous philanthropic contributions' (Daft 1994:165), covers the area of corporate funding to the voluntary sector. When operationalised, it means that companies are willing to support voluntary activities in the wider community. For example, in the financial year 1996/7, Marks & Spencer donated £9.8 million in cash, kind and staff secondment, assisting over 1,200 voluntary organisations in the process (Marks & Spencer 1997). In the US, many large companies such as Coca Cola and Westinghouse, provide generous support to United Way and other non-profit groups, in an effort to reach out and improve society (Daft 1994).

How do shareholders view this corporate generosity? Silk (1988:110) reports that 'shareholders have rarely challenged their business's support of social causes, and companies' efforts are likely to receive substantial approval from consumers, the press and the public'. Shareholders can also take a modicum of comfort from the fact that studies undertaken to determine the impact of heightened social
responsibility on financial performance, while providing varied results, generally have found that there is a small positive relationship between social responsibility and financial outcome (McGuire et al 1988).

‘Cause related marketing’ is another popular strategy used by some corporations to help fill the coffers of voluntary organisations. The term was originally coined by American Express (AE) in 1983 when it launched a campaign pledging to donate 1 penny to the restoration of the Statue of Liberty every time a consumer used an AE card (Schiller 1988). Since then, this approach has become very popular. For instance the march of the Dimes received $150,000 from Campbell Soup Company which sponsored its 1988 walkathon. Cause related marketing helps sponsoring companies by providing them with a positive public image, while also assisting charities with donations and publicity (Schiller 1988). Therefore it can be seen as creating a ‘win/win’ situation for both the corporate and non-profit sectors.

While aggregate figures for the contribution of Irish business in support of voluntary activity are not available, there are many examples of individual companies which have provided funding. For instance, in an effort to encourage customers to respond to a bank survey, the Bank of Ireland pledged to make a contribution to three well-known charities - Irish Hospice, the Samaritans and St Vincent de Paul - for every questionnaire returned (Card Talk 1998). This was advantageous to both the bank and the recipient charities. Staff of Dell computers, at their Bray and Limerick locations, are encouraged to get involved in local charity events (O’Connell 1998). For Dell, this approach is viewed as a means of raising the company’s profile in the local community which, in turn, helps attract good employees, while local charities benefit also, making the exercise beneficial to both parties. Focus Ireland, the charity for the homeless, is offering commercial sponsors an opportunity to involve staff in a team building exercise by taking part in a sponsored Swiss mountain challenge in October 1998. Staff from the Irish Permanent have signed up already (Irish Times 1998).

The foregoing cases represent just a few examples of corporate/voluntary sector collaboration in fund-raising for Irish charities. They are indicative of the potential that exists for voluntary organisations to source support from the corporate sector. The 1998 Budget provides a further incentive to corporate giving by allowing donations to be treated as deductible trading expenses (McCormack 1998). In sum it can be said that, with a bit of imagination, fund-raising schemes can be fashioned
which have the potential to benefit both the corporate donor and the recipient voluntary organisation.

INDIVIDUAL DONORS AND FUNDRAISING EVENTS

So far in the discussion it has been established that the statutory sector contributes a considerable amount towards the financing of voluntary activity and corporate donors also have a funding role to play. However, many voluntary organisations still rely to a greater or lesser extent on donations garnered through tapping the generosity of individual donors. Often this is achieved by organising fund-raising events. Examples of such ventures abound. For instance, this year’s Women’s mini marathon, the biggest all-women event of its kind in the world, attracted 35,000 entrants, many of whom were sponsored to raise funds for charities. Since its inception, this annual event has raised over £30 million for various charitable causes (Watterson 1998). The People-in-Need telethon, a legacy of the 1988 Dublin millennium celebrations, is held every two years since and raises about £3 million for a wide range of voluntary organisations countrywide (Power 1998). Ireland’s biggest coffee morning, another annual affair, attracted 300,000 imbibers in 1997 who contributed £750,000 to the Irish Hospice Foundation (Newman 1997). Daffodil Day, the flagship event for the Irish Cancer Society, yields over £500,000 annually to fund cancer care (Kernan 1998).

While solid statistics relating to the overall level of fund-raising are not available, it is estimated that up to £200 million is raised annually in support of voluntary action in Ireland (Hayes 1996). Given the operating context for charities of minimal statutory control and the attendant concerns about possible fraud, this level of fund-raising led to the establishment of a government committee in 1989 to investigate the issue. The committee’s report (Report on Fundraising 1990) identifies a host of fund-raising methods which are used. These include flag days; church- gate, envelope and box collections; lotteries; sales of work; social and sponsored events and mass media appeals. In addition the Report notes that methods are continually evolving as charities ‘become more imaginative and innovative in appealing for funds’ (Report on Fundraising 1990:23). Recommendations in the Report suggest that tighter control should be exercised over the voluntary sector, with a system of registration being introduced for all organisations raising funds for charitable purposes. Also prompted by concerns about loose monitoring of fundraising, the Fundraising Institute of Ireland (FII) was launched in March 1996 by the then Minister for State in the Department of Justice, Ms Joan Burton. The FII was set up by a group of
organisations from the voluntary sector with the broad aim of promoting integrity and professionalism in fundraising. It organises seminars and training events for voluntary organisations, as part of its ongoing mission. Given the financial significance of non-statutory funding in support of voluntary action, FII considers that appropriate training is essential in order to ensure a solid future for the sector.

Drawing together the discussion on sources of funding to sustain voluntary activity, it can be said that, here in Ireland, the sector is financed by a mix of revenues flowing from three main streams provided by statutory, corporate and individual donors. With this broad picture of fundraising in place, more focused research on the theme is now presented, based on data gathered from a cohort of practitioners operating in the arena of voluntary action.

**FUNDING: PERSPECTIVES OF PRACTITIONERS**

This part of the study presents the findings of an exploratory survey on fundraising which was undertaken at a training event organised by the FII and held in the Herbert Park Hotel Dublin on 27th May 1998. The broad aim of the research was to obtain information from participating organisations regarding:

- sources of funding;
- methods used for fundraising;
- difficulties encountered in fundraising;
- areas in which training is needed.

**Survey Cohort**

The attendance at this FII event included 54 representatives from 37 different voluntary bodies. ( Eleven had two from the one organisation and a further three had nine representatives between them.) The researcher was given an opportunity to address the participants in order to explain the purpose of the survey and to seek their co-operation. Then she distributed a short questionnaire (see Appendix I) which was completed for each of the 37 agencies, thus achieving a 100% response rate. The study cohort represented various strands of voluntary activity as follows:

<table>
<thead>
<tr>
<th>Health</th>
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<td>Children/youth</td>
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<td>Disabilities</td>
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As the researcher was not in a position to influence the attendance at the FII event, she had to work with the group, as presented to her. Therefore, although this cross-section of voluntary organisations does not constitute a statistically valid random sample, nonetheless it does include agencies engaged in a broad range of voluntary sector activities, thereby providing valuable insights into funding practices in this sector and contributing to ‘the existing, rather sparse, empirical base on voluntary sector activity’ in Ireland (Faughnan & Kelleher 1993:128). The completed questionnaires were analysed and the main results are now presented, using the categories as set out above.

**Sources of Funding**

In an effort to identify the various funding streams, respondents were asked to indicate the importance of the following sources to their organisation, on a percentage basis: statutory/corporate/events/individual donors/other sources. Results indicated reliance on multiple sources in most cases. An analysis of the data showed that, in order of importance, the three main sources for the group as a whole were: fundraising events (used by 76%); statutory funds (received by 73%) and individual donations (a source for 73%). A more detailed breakdown is as follows:

<table>
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<tr>
<th>Type</th>
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<tr>
<td></td>
<td>No. %</td>
<td>No. %</td>
</tr>
<tr>
<td>Events</td>
<td>28 76</td>
<td>37 100</td>
</tr>
<tr>
<td>Statutory</td>
<td>27 73</td>
<td>37 100</td>
</tr>
<tr>
<td>Individual</td>
<td>27 73</td>
<td>37 100</td>
</tr>
<tr>
<td>Corporate</td>
<td>22 59</td>
<td>37 100</td>
</tr>
<tr>
<td>Other</td>
<td>17 46</td>
<td>37 100</td>
</tr>
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Taking a closer look at the figures reveals a great variation within each category regarding the extent of reliance on that particular source. The biggest spread was in the ‘statutory’ category where reliance ranged from 100% (in the case of one organisation) to as little as 5% at the bottom of the range, excluding the ten organisations which did not receive any money from the State purse. This is in
keeping with findings from other studies cited earlier, e.g., Faughnan & Kelleher (1993). In contrast, the highest level of dependence on the ‘corporate’ category was only 50% (by two agencies) and it fell as low as 2% for two other organisations, with a further 15 receiving no input from this source. The pattern was similar in the ‘other’ category, with a high of 50% and a low of 1% among those agencies benefiting from donations in this category. For individual organisations, dependence on fundraising events and individual donations ranged from 80% to as low as 1%, again indicating a wide variation. Overall, these figures reveal a rather complex web of financial strands, garnered from a mix of funding sources.

Another way of viewing the complexity is to look at the range of sources used by the different agencies. The aggregate figures here reveal that 28 organisations (76%) rely on a combination of three or more sources, while only 9 (24%) are confined to one or two funding categories. This indicates that many of the organisations in the study cohort have to trawl widely in order to fund their operations.

Methods Used in Fundraising
Respondents were asked to itemise the main methods used in fundraising. Excluding statutory and corporate sources which have been covered in the earlier analysis, the most frequently mentioned method centred on special events. A wide range of activities was cited, including sporting fixtures such as golf, marathons, sponsored walks. Fashion shows, film premiers and table quizzes were staged to attract less energetic donors! Contributions from the public were garnered through flag days and other appeals such as church-gate collections and direct mail. These were the methods cited most often. Other financial avenues explored included personal contacts, trusts, sale of goods, legacies and standing orders.

Difficulties in Acquiring Funds
In order to gain some insights into the challenges encountered in accessing funding, respondents were asked about difficulties they encountered during this process. Information was obtained on three categories: statutory sources; corporate donations; and fundraising events. The resulting data from each category are now presented.

Statutory funding: Twenty-five respondents had comments to offer here. Difficulties highlighted included the limited amount of money available, (mentioned by
7). The lack of consistency in providing finance was mentioned by another 6, e.g., ‘there is no consistency between the different Health Boards’. Six others had problems in accessing Statutory money, due to unclear guidelines, while a further four identified delays/red tape as areas which presented difficulties. The time and cost factors in making applications were mentioned twice. Many of these problems resonated with findings from studies mentioned earlier, e.g., Faughnan & Kelleher (1993); Sexton (1993).

Corporate funding: Observations were made by 32 respondents on this theme. Difficulties in identifying the right contact person in an organisation headed the list of challenges, being cited by 8 participants. Another 7 noted the highly competitive nature of this source of revenue. The lack of appeal of certain voluntary activities proved a stumbling block for a further 7 organisations, and this may be linked to the need for corporate donors to see some return on their ‘investment’, as mentioned by 3 of those surveyed. Five others felt that they were not experienced enough in sourcing funds from this sector. Two final comments centred on the poor culture here for corporate giving and the lack of understanding about associated tax breaks for donating companies. Cumulatively, these results identify a number of areas that post challenges when trying to access funding from the corporate sector.

Fundraising events: A total of twenty six respondents identified problems relating to fundraising events. Nine of these centred on the time and cost involved in staging events, sometimes for a relatively low return. Dependence on voluntary help was considered problematic in six replies received. A further six saw competition for funding as being a major obstacle. Two felt that they lacked the necessary skills in this area. Finally, three individual comments centred on: having to call on the same people all the time; the need for a national network and difficulties associated with operating in an area of low population density. Here again, the data indicated a range of challenges associated with staging fundraising events.

Drawing together the overall responses relating to difficulties encountered in the area of fundraising, findings suggest that each source throws up its own ration of problems that need to be addressed in order to increase the flow of funds to the voluntary sector from the various wellsprings.
Training Needs
In keeping with the plans of the FII to arrange a series of training courses relating to funding in the voluntary sector, participants were given the opportunity of contributing to this process by identifying areas of training which they considered to be important. All but two respondents had views about training needs, some identifying a number of themes. Heading the list was corporate funding, being listed on 19 occasions. The next cluster of 14 centred on the area of writing and communications skills. A further 12 related to marketing and PR. Seven thought that various issues relating to donors needed to be addressed. Five suggested input on trusts, while another 4 would like to develop their skills on event management.

These were the main training areas identified by respondents. Cumulatively, they are indicative of an identifiable need for training focused on various facets of funding.

Survey: Summary and Conclusions
The findings of this survey, which are based on responses from 37 voluntary organisations, provide some insights into the views of practitioners relating to various aspects of funding in the voluntary sector. The main findings can be summarised as follows:

Sources of funding: The participating organisations rely on a mixed stream of funding which includes contributions from statutory, corporate, event, individual and other sources. Findings indicate that multiple sources of funding are the norm, with over three-quarters of respondents (76%) drawing on more than three different streams of revenue.

Difficulties in acquiring funds: A range of challenges is associated with funding from different sources - statutory, corporate and events. In the area of statutory finance, as many of the difficulties were not organisation specific, a more broadly based sectoral response to addressing these challenges might be appropriate, e.g., in dealing with perceived inconsistencies between different Health Boards. Unless some broadly-based action is taken, these problems are unlikely to recede. Likewise in the field of corporate donations, a sectoral approach through umbrella organisations in the corporate field might pay some dividends. Findings from the literature discussed earlier indicate that there is a willingness among corporate
donors to contribute, and this positive position offers opportunities for further development.

Assistance in the area of fundraising events could be provided through framing guidelines on best practice, given their importance as a source of revenue.

The final area addressed in the survey related to training needs in the sector. The rich range of responses endorsed the plan of FII to set about providing some structured training for voluntary agencies. This input from practitioners constitutes a useful starting point from which to initiate training programmes.

Overall, this exploratory survey represents a modest effort to uncover some of the potential issues relating to funding for voluntary organisations. The researcher would like to thank the FII for facilitating the research and also to acknowledge the generous co-operation received from participants in completing the questionnaires.

**Final Reflections**

This research paper has explored aspects of funding in the Irish voluntary sector, including a review of the literature together with findings from an exploratory survey of operational practices in the field. The results from the fieldwork endorse the findings in the literature, indicating that the voluntary sector relies on a mix of funding from statutory, corporate and individual sources in order to finance its endeavours.

Here in Ireland the voluntary sector has a long tradition of service. Currently it is enjoying a raised profile as it continues to enrich the fabric of Irish society in many areas. According to the recently published Green paper, this sector ‘has the potential to help create a vibrant civil and active society in which individuals are encouraged to participate fully, This is an essential component of a mature democracy’ (*Supporting Voluntary Activity* 1997:46). However, it is an inescapable fact that all voluntary organisations, both large and small, need some funding in order to function and prime the services they offer. This makes funding a key issue in the sector. Some of the main avenues of funding, including statutory, corporate and individual sources, have been delineated in the course of the discussion.

Evidence from the literature indicates that while statutory funding now constitutes a significant source of revenue for many Irish voluntary bodies, reflecting the pattern in
the UK and the US, there can be attendant difficulties in sourcing this money. In a recent overview of the nonprofit sector in Ireland, Freda Donoghue (1998:22) observes that statutory funding ‘tends to be discretionary and although the nonprofit sector as a whole benefits, individual organizations have problems with sustained forward planning because the nature of the funding is insecure’.

These problems have been highlighted by other contributors to the debate. For instance, the Green Paper on the sector acknowledges that ‘difficulties in relation to uncertainty of future statutory funding may be exacerbated by payment systems . . . which result in delays, leading to high bank charges and the need for bridging finance’ (Supporting Voluntary Activity 1997:74) and suggests that these problems should be addressed in order to ensure timely payment of grants. Outlining steps that need to be taken in order to facilitate the voluntary sector in realising its full potential, the Green paper suggests that each government department which interacts with the sector should outline its funding policy. Such a development would help to ameliorate some of the difficulties being experienced by the sector when trying to access statutory funding.

As things stand at present, there seems to be a lack of meaningful dialogue between statutory funders and voluntary sector recipients. Another suggestion in the Green Paper relates to the provision of training for policy makers on the principles and practices of voluntary action. If this were implemented, it would go some way towards achieving a more positive and less fraught funding climate in the future.

Regarding support for voluntary action from the corporate sector, there are indications, both here and elsewhere, that business, embracing the tenet of corporate social responsibility, is willing to provide assistance. However, sourcing this stream of funding calls for imagination and innovation in order to ensure that, ideally, either direct or indirect benefits are seen to accrue to both parties. Bruce (1994:229) notes that funding from the corporate sector has ‘gained in popularity as a source of charitable income over the last fifteen years or so’. He identifies four broad categories of corporate giving: donations; gifts in kind (goods and seconded personnel); sponsorship (where the donation is linked to the business) and company specific staff schemes. All four categories indicate avenues of funding that could be tapped as potential sources of revenue in support of voluntary action. To date here in Ireland, no systematic study of corporate giving has been undertaken. Evidence
of some successful initiatives in this field, as outlined earlier on in the discussion, is indicative of the potential for development of this stream of revenue. Here again, action at a sectoral level could yield dividends in this area. For example, the more favourable tax treatment for corporate donations now in place came about from lobbying by a group of 28 voluntary organisations which formed the Irish Charities Tax Reform Group in 1991 with the aim of achieving this tax concession (McCormack 1998). This example shows that a combined effort can produce results which may elude the efforts of individual organisations. It is suggested that a coordinating body on the voluntary side, such as the FII, could initiate dialogue with representative bodies in the corporate sector which could reap benefits for both sectors. On the corporate side of the equation there is the possibility of gaining an enhanced public image, while an increase in funds would assist the voluntary organisation(s) involved.

A third major stream of revenue for voluntary action flows from individual donations. The reality is that, in response to inadequate statutory funding, ‘private fundraising, independent of statutory sources, is a vital necessity for most voluntary organisations’ (Powell & Guerin 1997:148). As shown both in the literature and in the more focused study, this can be collected by organising fundraising events and/or appealing to individual donors. In their recent study of 223 Irish voluntary organisations, Powell & Guerin (1997) report that while 54% of respondents found it increasingly difficult to get donations from the public, mainly arising from heightened competition, another 43% noted positive changes in relation to fundraising. This latter finding suggests that there is some cause for optimism in sourcing funds from the public. Developing this flow of revenue in support of voluntary action involves trying to fathom why donors give money and then being able to nurture this donative behaviour. Bruce (1994:237) notes some of the problems associated with obtaining money from potential donors: ‘with a product that is essentially an idea, we have no objective understanding as to why people buy (give to) the product’. He suggests that market research on existing donors can be beneficial. Quantitative research, by way of surveys, can provide broad information on areas such as age/sex/marital status of donors while in-depth qualitative data can help to uncover the particular motivations of key donor groups. A better understanding of donor behaviour could enable voluntary organisations to tap into this source of potential revenue more
effectively, yielding a richer harvest from their efforts. Researchers such as Lovelock & Weinberg (1984) and Kotler & Andreasen (1991) have explored the motives for giving but their work relates to North American donors where the broad culture and tax regime are both very supportive of charities. Research focused on the motivation of donors in an Irish context should yield information which could be used in developing and enhancing this stream of revenue in support of voluntary action. It is suggested that the flow of finance from staging funding events can be nurtured by providing appropriate training in order to help event organisers address some of the challenges they encounter at present, as identified in the field survey.

To conclude, it can be said that the Irish voluntary sector is now entering a new phase of development, with a Green Paper (Supporting Voluntary Activity 1997) already in place and a White Paper due for publication early in 1999. Funding for the sector is a fundamental and vital issue in order to ensure its continued progress. In his recent book The Empty Raincoat, Charles Handy observes that ‘the world keeps changing. It is one of the paradoxes of success that the things and ways which got you where you are, are seldom the things to keep you there’ (Handy 1994:49). The ‘world’ of the Irish voluntary sector is also changing, opening up new frontiers and possibilities. Building on a long lineage of success, the sector needs to address the challenges it now faces. Strengthening its funding foundation would constitute a basic building block in that process. Bearing in mind that ‘literature on the voluntary sector in Ireland is relatively young, the most substantive writings dating from only the beginning of this decade’ (Donoghue 1998:1), it is hoped that the insights provided in this exploratory study will contribute in some measure to this task.
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