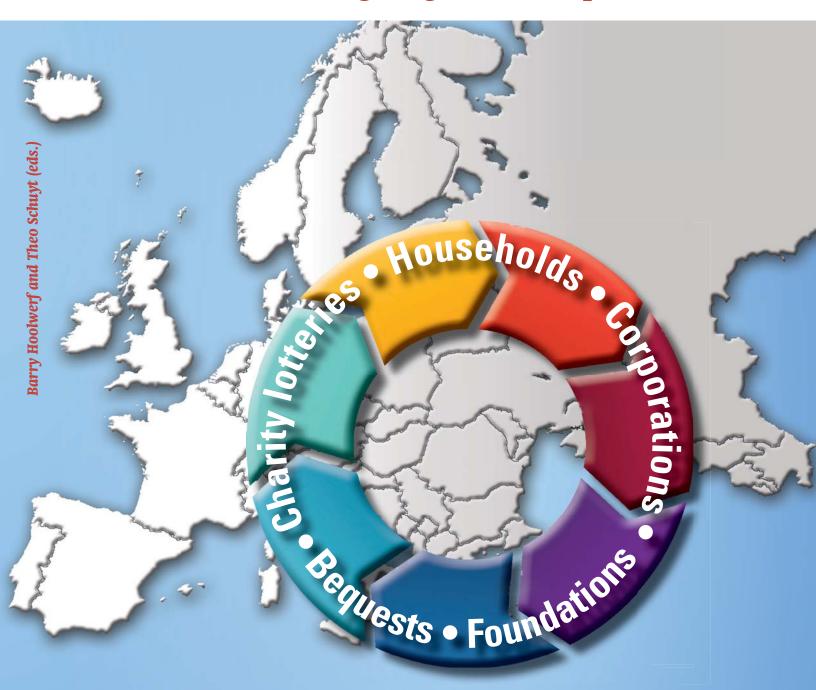
Giving in Europe

The state of research on giving in 20 European countries







Research on Giving in Finland

The state of research on giving by households, corporations, foundations and charity lotteries to charitable organisations in Finland.



An ERNOP publication

This publication is part of *Giving in Europe. The state of research on giving in 20 European countries.* The full publication is available at <u>www.europeangiving.eu</u>. An executive summary of the full publication can be found <u>here</u> and a two-pager summarising the quality of data and the preliminary (lower bound) estimations of giving in 20 countries can be found <u>here</u>.

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Research on Giving in Finland

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Introduction on Giving Research in Finland

Research on giving, and more generally on philanthropy, is scarce in Finland. There are no comprehensive statistics or surveys which would give an overview of philanthropic giving in the country. There are no professorships, faculties, or schools of philanthropic studies or giving. Individual researchers (and students in their theses) at different universities and polytechnics study themes related to giving, but the research is fragmented and random. Only a few regular surveys on giving have been conducted, primarily by organisations other than universities.

One of the regular (biannual) surveys on giving is conducted by the Taloustutkimus market research company, and is funded by Finnish philanthropic and non-profit organisations such as the Red Cross Finland and Save the Children Finland. The focus of this survey is on individual philanthropy, covering themes such as ways in which individuals want to give and the causes they want to support. Another survey on individual giving was commissioned by MTV, a large Finnish media company, in 2012, 2013, and 2014. These surveys were also carried out by a market research company. Additionally, Finland is included in large international surveys which measure giving in different countries such as the World Giving Index, the World Values Survey, and the European Social Survey.

Individual studies and surveys on giving have also been commissioned by Finland's Slot Machine Association (which distributes funds from gaming to non-profit organisations in the social and health sector, approximately \in 300 million annually), the Finnish Fundraising Organisation Vala (a network organisation for non-profits), and Citizen Forum (a service centre for volunteers, voluntary organisations, and professionals working in the field of volunteering). The studies were carried out by market research companies. The focus of these usually one-off surveys ranges from individual giving (who, how much, to what causes, attitudes) to the opinions of non-profits on the present state of fundraising (how fundraising is organized, what ways of giving constitute their income, what their goals of fundraising are, how they perceive the future, and the societal condition of fundraising). The Citizen Forum also conducted a survey on business executives from small and middle-sized companies in 2014. The study focused on mapping the situation corporations' giving (how much corporations give, to what types of causes).

The National Police Board collects information related to the fundraising permits that they grant. The information includes the revenue of fundraising campaigns. This information is registered manually, it does not separate fundraising from individuals and corporations, and each organisation that has applied for a permit is reported separately. Thus, the information is difficult to use for research purposes as such. Also Finland's Slot Machine Association and Ministries collect information from the organisations that they fund. The information collected by the National Police Board and Finland's Slot Machine Association has been used in research, and although they give insight into the results of fundraising in Finland, they do not form a reliable overview, as different organisations have different

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ways of reporting costs and profits (Saari & Saukko, 2011; Saukko, 2012). To conclude, Finnish research on giving is limited. The following is concerned with what is known about giving in Finland.

Giving by individuals

Descriptive statistics of giving by individuals in vivo

No data with all the requested information about giving by individuals or households in Finland can be found. The few available data on individual giving include information on whether respondents have donated money or not. Approximately 70 % have according to different surveys (Hyväntekeväisyys, 2014; MTV survey on individual giving, 2012, 2013, 2014; Pessi, 2008). On the other hand, in the World Giving Index study the five year average of donating money in Finland was only 45 % (World Giving Index, 2014). According to the Hyväntekeväisyys survey (2014) women, older respondents, and those with higher education are more likely to donate than men, young respondents (15-29), and those with less education. The area of habitation was not connected with whether the respondent had donated or not in this survey (Hyväntekeväisyys, 2014). The MTV survey (2014) also asked what motivates respondents to give. The most popular reason was clearly compassion.

Only one survey (from 2008) includes information on the causes which the respondents had donated to. Also, the causes differ from those that were called upon in this study. The causes and the percentage of the respondents that had given to each cause are shown in table 10.1.

Charitable subsector	% of
	respondents
Veterans	50 %
Children (Unicef, Plan, World Vision etc.)	47 %
International emergency relief	40 %
Salvation Army's Christmas fund-raising	34 %
Different local fund-raising (Rotary, Lions, Schools)	32 %
Social causes (mental health patients etc.)	25 %
Fund-raising related to nature (WWF, Greenpeace etc.)	21 %
Other	22 %
Do not know, do not want to say	<1 %
Total all causes ³⁹	70 %

Table 10.1 Percentage of respondents donating to different goals (N=1000)

The most common causes that the respondents had given to were veterans, children, and international emergency relief. Veterans of the Winter War and Continuation War in the 1930s and 1940s against the Soviet Union are highly regarded in Finland, which is evident in that over two-thirds

³⁹ Data collected in 2008, results originally reported in Finnish in Pessi, 2008, and in English in Grönlund & Pessi, 2015

of the donors have donated to veterans. Funds for veteran organisations are collected through nationwide street collection fundraising campaigns. Red Cross Finland, Unicef Finland, and The Evangelical-Lutheran Church also organize these street collection campaigns to help people in Finland and abroad. The Salvation Army, a popular cause among donators, collects donations on the streets, especially at Christmas. These collections and campaigns make donating easy, which may also have an effect on the popularity of these causes. Nature and social sector organisations are not as active in these fundraising campaigns, but rely more on traditional membership fees and monthly donations, which may at least partially explain why not as many donors have donated to these causes. However, all organisations are increasingly using face-to-face marketing on the streets to find new monthly donors.

According to the 2008 data (Pessi, 2008; Grönlund & Pessi, 2015), men, people over 50 years of age, and those living outside the capital region of Helsinki are more likely to give to veterans compared to women, younger age groups, and those living in the capital region. Instead, women and those living in the capital region were more likely to give to international emergency relief. Women, those living in the capital region, and people under 35 years of age were also more likely to give to fundraising related to nature than men, those living outside the capital region, and older people. Higher education was connected to donating to international emergency relief, children, and the Salvation Army (Pessi, 2008). A survey (conducted in 2014) on individual giving by the Finnish media company MTV asked respondents (N=1633) whether they had given to domestic or foreign causes. In that survey 59 % of respondents had given to domestic and 27 % to foreign causes.

Two studies (Hyväntekeväisyys, 2014; MTV, 2014) asked respondents about the causes they would prefer to give to. In the Hyväntekeväisyys study the most preferred causes were health (finding cures for illnesses such as cancer), children in Finland, young people, and the elderly. In the MTV survey the most preferred causes were causes related to children, young people, health, social exclusion, poverty, and veterans. The MTV survey also asked whether the respondents would prefer a domestic or a foreign cause. 53 % preferred a domestic and only 3 % a foreign cause. 27 % did not care about whether the cause was domestic or foreign, and 16 % did not want to give at all.

Information about the amounts donated to different causes is not available in Finland. Respondents in some surveys were asked to estimate the amount of money they donate in a year, but not to categorize the donations to different causes. Thus, no recent information on mean amounts to different causes can be found. The MTV survey (2014) asked respondents (N=1633) to estimate the total amount they give per year. 24 % estimated they give less than 10, 13 % estimated they give \in 10 to 19, 19 % estimated they give \in 20 to 49, 12 % estimated they give \in 50 to 100, and 16 % estimated they give more than \in 100. 15 % could not estimate the amount they gave. Thus, the majority of the respondents gave less than \in 50 per year. ⁴⁰ Another recent survey (Hyväntekeväisyys, 2014) gives a similar result. 56 % of respondents had donated less than \in 50 or had not donated at all (13 %). 28 % had donated \in 51 to 500, and only 2 % had donated more than \in 500, 13 % of respondents did not give an answer. Older respondents and those with a higher

⁴⁰ Total lower bound estimation is based on the average donations per category multiplied with the total population aged above 18.

education give more compared to younger respondents and those with less education (Hyväntekeväisyys, 2014).

The MTV survey (2014) also asked about the frequency of giving monetary donations. As mentioned above, 30 % of respondents did not give at all during the last year, but 13 % gave at least once per month, 5 % gave once every two months, 31 % gave a few times per year, and 22 % gave once per year. Again, women, older respondents, and those with a higher education gave more often than men, younger respondents (18-24), and those with less education (MTV survey, 2014).

Both the MTV survey and the Hyväntekeväisyys survey also asked respondents about the ways of giving. The MTV survey asked what ways the respondents had taken part in supporting different causes. The most popular ways to participate were giving monetary donations to non-profits, donating clothes or other goods, and buying products from non-profits to support their cause (MTV survey 2014). The Hyväntekeväisyys survey asked the respondents about the ways in which they had given, and also in which ways they would most like to give, asking them to choose 1 to 3 ways from a list of 25 ways of giving. Both the most common ways in which the respondents had given and the most preferred ways of giving were street collections, giving clothes or other goods, giving donations in church, playing games that support charities (see the chapter on charity lotteries below for further information), and buying products which support a cause (Hyväntekeväisyys, 2014).

Finland does not have a practice of tax designation where individuals (or corporations) can designate a percentage of their taxes to charitable causes. However, Finland has a Church Tax, which is a mandatory tax collected from all members of either of the two national churches, the Evangelical-Lutheran Church of Finland (74 % of Finns were members of this church in 2014) and the Orthodox Church of Finland (1 % of Finns were members of this church in 2014). The congregation from each of these churches decides the size of their Church Tax. In 2014 the size of the Church Tax ranged from 1 to 2.2 %. The total amount collected through this tax was € 924 747 632 in 2014 (Tax Administration, 2015).

Data sources of giving by individuals in vivo

Finland's Slot Machine Association data (N=1000) was a telephone survey conducted in 2008 by TNS Gallup. The group of respondents is representative of the Finnish population (aged 15–70), excluding the area of *Ahvenanmaa*, an autonomous region of Finland. The respondents in this survey were asked about the ways in which they had helped other people. Different ways of helping were proposed, and the respondents identified the ways in which they had helped. Giving to fundraising was one of the ways of helping that was proposed. If the respondent answered 'yes' to having given, the type of cause he or she had given to was identified (table 10.1 above). The data are representative and externally and internally valid, but they do not represent the situation today very well as they were collected in 2008. The data and the questionnaire are available in Finnish (in Pessi, 2008). Background variables include age, gender, area of habitation, size of the place of residence, occupation, employment status, education, political stance (which party they would vote for), income level, and the size of the household. The data consist of several questions related to giving and helping behaviour and attitudes. The source of the data is Finland's Slot Machine Association, and studies that have been carried out using the dataset include Pessi (2008) and Grönlund & Pessi (2015).

MTV survey on individual giving is survey data that has been collected three times (2012, n=1843; 2013, n=1747; 2014, n=1633) as an Internet panel survey. The surveys were carried out by the market research company Think if Laboratories. The surveys represent the Finnish adult population (18-) excluding the archipelago of Ahvenanmaa (an autonomous region of Finland) regarding age, gender, and area of habitation. They are representative and valid externally and internally. Background variables include gender, area of habitation, education, employment status, household type, and income. The source of the data is the Finnish media company MTV. The survey is private, but MTV permitted this study to use the data (in excel format). No actual studies have been carried out using these data, the results have been reported as journalistic content in MTV broadcasting.

Hyväntekeväisyys (Charity) –*survey* by the Taloustutkimus market research company is a bi-annual survey, last conducted in 2014 (N=3582). It is representative of 15-74-year-old Finns regarding age, gender, area of habitation, education, and employment status. The survey is representative and valid externally and internally. The source of the data is Taloustutkimus, which gave the general results of the latest survey (excluding questions related to the individual non-profits who are sponsoring the survey) in pdf-format to be used in this study. The data are not available as they can only be used by Taloustutkimus. Background variables include gender, area of habitation, education, employment status, household type, and income, and the survey also includes questions on ways of giving (what ways they have donated with several options), the preferred ways of giving (how they would like to give with several options), preferred (which causes they would want to give to, select 1-3 causes) and non-preferred causes with several options, part of which have been reported above. The sponsors of the survey include Finnish non-profits such as Red Cross Finland, Save the Children, World Vision, WWR Finland, and Unicef (altogether more than 20 organisations; some of the smaller organisations are not included every year).

Descriptive statistics on giving by bequest

No data on giving by individuals by bequests in Finland were found. The Hyväntekeväisyys survey (2014) asked the respondents whether they had directed their bequest to a charitable organisation. The proportion was less than 1 % of the respondents. The same survey asked about the ways in which the respondents would like to give. One of the options was by bequest. This question measures the most interesting ways of giving, and instructs respondents to choose the 1-3 ways of giving they find most suitable for themselves. Only 1 % of the respondents included giving by bequest in their choices (Hyväntekeväisyys, 2014).

Vala, a Finnish Fundraising Association, has commissioned surveys (conducted by the Taloustutkimus market research company) on fundraising to representatives of non-profits (Kansalaisjärjestöjen nykytila-analyysi, 2014). In these surveys (2011, n=120 and 2014, n=125) representatives of non-profits estimated the importance of different methods of giving to their work. 13 % of the respondents included giving by bequest among the most important methods of giving.

Data sources of giving by bequests Not available

Giving by corporations

Descriptive statistics of giving by corporations

The Citizen Forum commissioned a telephone survey (conducted by the Taloustutkimus market research company) to CEOs /owners of small or middle-sized corporations in 2014 (n=604) on supporting non-profits. The corporations included employed 5 to 250 employees, and the sample is representative regarding province, size of the corporation (in employees), revenue, and industry in its target group. The survey uses the word 'support', which can also mean other ways of support in addition to monetary support. Also, the survey does not exclude sponsoring.

Table 10.2 Percentage of corporations (with 5 to 250 employees) supporting different goals,2014 (n=604)

	% corporations that	Mean amount
	supported	donated
Religion	1 %	
Health	12 %	
International aid	<1 %	
Public/social benefits (national)	*	
Culture	1 %	
Environment/nature/ animals (inter)national	<1 %	
Education	Not included	
Other (not specified)	**	
Total	67 %	n/a

*10 % youth; 7 % disabled; 5 % war veterans

**28 % sports (sponsoring and giving not separated from one another)

Data sources of giving by corporations

Citizen Forum survey to CEOs of small or middle-sized corporations are survey data (telephone interviews, N=604) from 2014. It was commissioned by the Citizen Forum (a service centre for volunteers, voluntary organisations, and professionals working in the field on volunteering), and was carried out by the Taloustutkimus market research company. The survey targeted CEOs /owners of small or middle-sized corporations. The corporations included employed 5 to 250 employees, and the sample is representative regarding province, size of the corporation (in employees), revenue, and industry. The data are externally and internally valid within the target group. The background variables include industry, revenue, and location of the corporation, as well as the age and gender of the respondents. The respondents were also asked about their personal interest in volunteering and volunteering causes. The data are available to be used in the present study. The results have not been used in research, but have been reported in the Finnish media.

Giving by foundations

Descriptive statistics of giving by foundations

The latest information about giving by foundations is from 2003 (Manninen, 2005). More recent statistics or surveys have not been published. Although the existing information is old, it provides an overview of the situation in Finland. The Register of associations and foundations collects this type of information and could possibly allow it to be used in this study if asked for.

Table 10.3 Number of foundations donating to different goals and mean amount donated, 2003(as reported in Manninen, 2005) N=537

	Number of	Mean	amount	donated
Religion	4			36,321
Health	54			460,730
International aid	13			47,654
Public/social benefits (national)	38			436,410
Culture	Not included			-
Environment/nature/ animals (inter)national	*			
Education	97			630,224
Other (not specified)	**			
Total	537			

*Environment: 11 foundations, mean amount € 194 700; Animals: 2 foundations, mean amount € 244 680

** Other goals include, for example, different sciences/research to which a significant number of foundations donate significant amounts (see table below).

Table 10.4 Uses of donations by foundations in 2003

	million EUR	percentage
Religion	0.21	0.1 %
Health	41.93	13.7 %
International aid	0.95	0.3 %
Public/social benefits (national)	26.18	8.6 %
Culture	Not included	-
Environment/nature/ animals (inter)national	*	
Education	96.42	31.5 %
Other (not specified)	**	
Total	306.25	100 %

*Environment € 3 309 900 (1.1 %); Animals € 734 040 (0.2 %),

** Different sciences/research 61 703 740 (20.1 %)

Data sources of giving by foundations

The above introduced survey data were collected from Finnish foundations in 2003 (Manninen, 2005). The survey was sent to all foundations on the Register of associations and foundations (2 560 foundations); 788 of them responded, making the response rate 31 %. The survey is externally and internally valid, but the results are rather outdated as the data were collected in 2003. The background variables include information about the type, age, size (employees), and assets of the foundations. The survey included several questions on the operations (income, donations etc.) of the foundations. The publisher of the research is Cupore, a Foundation for cultural policy research, and the report and the questionnaire used are accessible in Finnish. Location and availability were not examined. The results of the survey were reported in Manninen (2005) in Finnish.

Giving by charity lotteries

Descriptive statistics of giving by charity lotteries

No information on giving by charity lotteries can be found. However, in Finland the profits of gaming are directed to supporting charities and other non-profit organisations. Some information about this system and the funds directed from individuals to these causes are included as they may be of interest in constructing a general overview of Finnish giving.

The Finland's Lotteries Act grants three organisations the responsibility of organizing gaming in Finland, and their profits are used for promoting health and social welfare, the arts, science, youth work, and sports through various organisations. The operations of these three actors are supervised by the state. The state also makes the official decisions on grants.

In 2013 Finland's Slot Machine Association distributed \in 301 million to 779 social and health sector non-profits (RAY database, 2015). In 2013 the Ministry of Education and Culture distributed \in 524.5 million, collected through Finnish Lottery Veikkaus, to the arts, sports, science, and youth work. 42.8 % (\in 224.6 million) of the total was distributed to the arts, 27.7 % (\in 145.4 million) to sports, 19.5 % (\in 102.2 million) to science, and 10 % (\in 52.4 million) to youth work (Veikkaus CSR Report and Annual Report, 2013). The third organisation, Fintoto, organizes horse betting, and raises funds to promote horse breeding and equestrian sports in Finland. In 2013 the amount of Fintoto's revenues which went to supporting horse breeding and equestrian sports was \in 34.3 million (Fintoto, 2015).

Table 10.5 Amounts granted by RAY to social and health sector causes in 2013 (RAY funding database)

	million EUR
Sickness and disabilities	95.2
Mental health, substance abuse, and addictions	47.3
Health and well-being	54.9
Children and families	30.4
Elderly	21.0
Non-profits operating in multiple fields (e.g. Red Cross Finland)	25.3
Youth	11.8
Caregivers (relatives)	9.8
Unemployed and employment	2.2
Rescue services	3.1
Total	301

Table 10.6 Amounts (€) granted by the Ministry of Education and Culture in 2013 (Veikkaus CSR report and Annual report 2013)

	million EUR
Art	224.6
Sports	145.3
Science	102.2
Youth work	52.4
Total	524.5

Data sources of giving by charity lotteries

RAY (Finland's Slot Machine Association) funding database, used above, is a public internet database including all funding to social and health sector non-profits by RAY. The database includes information on both applications and decisions of funding annually (including the years 2000-2015) and the data can be examined according to location, subsector, and the type of grant. The database can be used in Finnish and in Swedish.

Conclusion

The above introduced studies give a fragmented – and in many parts deficient – picture of giving in Finland. A representative picture unfortunately cannot be formed. There are no comprehensive statistics or surveys which would give a good overview. The best available sources of information are surveys commissioned and conducted by market research companies. These surveys are commissioned by non-profits and media companies instead of universities that lack professorships, faculties, and schools focused on philanthropy.

An overview is given above on the proportion of individuals who give to charitable causes in Finland, the scale of the amounts they give, and the subsectors or causes that are most interesting to them. This information can also be examined in relation to several background variables. However, the total amount of giving or information about the amounts given to different subsectors or causes are not available. Comprehensive data on giving by corporations, giving by bequests, and giving by charity lotteries are almost non-existent. The information that can be found is limited and partially outdated.

Although Finland has a long history and a strong culture of CSOs and philanthropic activity, philanthropic giving is not a cultural norm. This is possibly due to the strong welfare state, which all tax-payers fund jointly. The ideology behind this model has also influenced the political measures securing and advancing philanthropic giving. For example, there are no fiscal incentives for individual donations in Finland (restricted incentives for corporations). The lack of research and information on philanthropic giving probably originates from this background.

Nevertheless, philanthropic giving has become increasingly visible and public, and has steadily grown to become a more accepted part of Finnish culture. Also, fundraising is becoming more and more professional. To foster this development and to better understand philanthropic giving in Finland, proper research is urgently needed.

Links to other datasets

The datasets are scarce and probably not possible to combine with each other. Some of the datasets are not available, and they often also use different background variables. The MTV3 surveys (2012, 2013, 2014) on individual giving can be combined.

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About Giving in Europe

Philanthropy is not an American, but a European invention. 'Giving in Europe' shows: European philanthropy takes itself seriously.

This study is an initial attempt by members of the European Research Network On Philanthropy (ERNOP) to map philanthropy in Europe and presents a first overall estimation of the European philanthropic sector. Containing an overview of what we know about research on the philanthropy sector, it provides data and an assessment of the data on giving by households, bequests, foundations, corporations and charity lotteries in 20 European countries.

Despite the promising signs of an emerging philanthropy sector in Europe, it is still a phenomenon and a sector that is not very well understood. As a matter of fact, besides the anecdotal glimpses from national researchers and the great work that has been carried out on the subdomains of philanthropy, we know little about its actual scope, size and forms in Europe. For a better discussion and assessment of the (potential) role that philanthropy can play in solving societal problems, we need a clear picture of the size and scope of philanthropy. What amounts are donated by households, through bequests, corporations, foundations and charity lotteries, and to what goals? To what extent can we draw a picture of the philanthropy sector in Europe, what is the quality of the data involved?

In answering these questions, this publication aims to stimulate researchers, policy makers and philanthropy professionals in fostering research on philanthropy and to inspire to exchange knowledge and information. For more information visit www.ernop.eu.



