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## **Survey: Lean Funders Say the Local Economy Influences Philanthropic Giving More Than National or Global Economic Conditions**

*Funders also report that innovations in how information is shared and consumed influences giving and grantee support*

**Washington, D.C.** – A new survey from Exponent Philanthropy examining the top drivers of change for lean funders suggests that the local economy has more influence on their philanthropic funding than national or global economic conditions.

More than half of respondents (51 percent) to Exponent Philanthropy’s Pulse Check Survey said economic conditions in their local community are strongly or moderately influencing their philanthropy. This compares to 37 percent of respondents who said their giving was strongly or moderately influenced by the overall national economic environment, and 20 percent who said the same of the overall global economic environment.

“These findings highlight the role that philanthropies with few or no staff play in being responsive to the needs of the communities in which they live and support,” said Exponent Philanthropy CEO Henry L. Berman. “Lean funders are deeply connected to their communities and take a responsive, personal approach, which allows them to understand local needs and effectively catalyze change.”

Lean funders are foundations with few or no staff, philanthropic families, and individual donors, which represents the largest segment of philanthropy. Driven by personal passion and a strong desire to improve people’s lives, Exponent Philanthropy members are making an outsized impact in communities across the globe and in every issue area.

The Alice Virginia and David W. Fletcher Foundation, which assists charitable organizations in Maryland’s Washington County, addresses widespread social challenges such as poverty, addiction and education, and focuses on the local response to those challenges. The foundation has funded programs such as free clinics, a backpack program to feed hungry children, and a library in the community.

“While global and national economic conditions influence what happens locally, we can make the biggest difference in Washington County, so that’s where our focus is,” said William P. Young Jr., executive director of the foundation. “Like many funders who live and work in the communities they serve, we’re able to really understand what the needs are locally and respond appropriately. We’re also able to adapt and evolve our giving quickly to create positive change.”

Almost half of respondents (46 percent) reported that how information is shared and consumed was a driver of change in the way they conduct their philanthropy and support grantees. The VNA Foundation in Chicago funded the development of a mobile phone application that gives homeless youth in Chicago real-time information about nearby health services, emergency shelter, and a variety of other services key to their survival and progress. The foundation and its grantees found through discussions with homeless youth that many had access to mobile phones or used public libraries as a place to use the internet and check their social media.

“Technological advancements have allowed us to address local problems in new ways, such as the smartphone app we helped create for homeless or precariously housed youth in Chicago,” said Robert DiLeonardi, executive director of the VNA Foundation. “Allowing people in our communities to find information quickly about the closest safe shelter, health services or food with the GPS feature in their phone or through social media is a sea-change in how people are able to access the local support they need.”

Other noteworthy findings from the survey include:

- A little over 38 percent of respondents said demographic shifts, which include racial and ethnic changes, age and economic shifts, among others, were driving change in their philanthropy.
- The performance of financial markets ranks as the top driver of change, with almost 55 percent saying it strongly or moderately influenced their philanthropy. Financial markets directly impact the amount of money foundations and funders distribute.

### **About the Pulse Check Survey**

Exponent Philanthropy’s Pulse Check surveys are internal yardsticks used by the organization to gauge membership opinions on important and timely topics. Information is collected anonymously and the full surveys are neither published nor available for dissemination to the public. Exponent Philanthropy publicly shares findings from its surveys when the topics/findings are deemed relevant and useful to the philanthropy sector and beyond.

### **About Exponent Philanthropy**

Exponent Philanthropy is the country’s largest association of funders—nearly 2,000 members strong— and the only one dedicated to serving foundations with few or no staff, philanthropic families, and individual donors. Its vibrant network has in common lean operations and a style of philanthropy motivated by personal passion, community needs, and the strong desire for better outcomes. Exponent Philanthropy provides high-quality and cost-effective programs,

resources, and connections that maximize members' dollars and time for the benefit of diverse communities and causes.