

CHANGE MAKERS:

THE PSYCHOLOGY OF GIVING

THE ORIGINS OF HUMAN
PROSOCIALITY

GIVING FEELS GOOD

ABOUT CHANGE MAKERS

Change Makers convenes CIFAR fellows and leaders across government, business, education, civil society and the creative sector, through both in-person engagements and virtual experiences, to share new insights into addressing complex issues at a systems level. By creating meaningful opportunities for productive, multi-directional learning and networking, the Change Makers series aims to catalyze new ways of thinking and acting that can drive change in communities that matter most.

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On October 4th, 2016, CIFAR, in partnership with the Vancouver Foundation, held a Change Makers dialogue that explored the social and economic aspects of giving. This symposium brought together CIFAR Fellows and leaders from community organizations, foundations and businesses who exchanged ideas and insights to better understand how this research could be mobilized into action in their work practices.

Moderated by Robin Cory, Colbeck Strategic Advisors, the event included presentations from: Patrick Francois, Senior Fellow in CIFAR's program in Institutions, Organizations and Growth and Professor at the University of British Columbia Hall; Lara Aknin, Fellow in CIFAR's program in Social Interactions, Identity and Well-being and Assistant Professor at Simon Fraser University; and Jacqueline Way, Founder of 365 Give. This report provides a summary of the key research-informed insights presented by CIFAR's Fellows and the group discussions with Jacqueline Way that followed.

PATRICK FRANCOIS –The Origins of Human Prosociality

Humans are a highly prosocial species relative to other species. Prosocial behaviors (e.g. trust, generosity, etc.) in humans are seen not only within a group but across groups and even to the completely anonymous other. This is in contrast to other close genetically related species such as the chimpanzees who exhibit prosociality but only within their own group.

Humans have a hardwired capacity to be norm followers. The origins of human prosociality are still relatively unknown. Through evolution, we as a species developed a flexibility to exhibit prosocial behaviors depending on the environment.

Group competition can induce prosociality. Cultural group selection theories suggest that when humans are placed in group (vs individual) competitive environments, more prosocial norms and behaviors are induced. For example, studies on U.S. firms (i.e. a place where people take on a collective task and work against other organizations) have shown that people working in firms in highly competitive sectors exhibited higher degrees of trust towards an anonymous other. Further, the level of trust increased as the level of competition (i.e. number of firms) increased with the sector. This increase in trust was also exhibited at a more macro, state level when the level of competition increased and also at an individual level when one moved from a less competitive to more competitive sector.

Without competition, people do best individually if they behave selfishly and converge on a norm of selfish behavior. With competition, the best outcome may be achieved by giving. This

can be observed through classic public good game experiments in which individuals in a group are given a set amount of money. If they chose to donate some money to the group, the researcher would then multiply that amount to increase the return for the group but the fraction of returns remains the same for the individual. Most participants start off giving but realize it is more beneficial not to give. This is in contrast to experiments where group competition is invoked. In these experiments, if positioned so that two groups were playing against each other and the returns depended on how well the group did relative to the other group, though it was more risky to give, group competition increased the level of both giving and trust. In this group competitive context, if one experiences others giving, they are more inclined to give and converge on a prosocial norm.

Enhancing prosocial norms can enable some groups to succeed and to further enhance the prosociality of newcomers into that group that don't already exhibit that behavior. Human prosociality is not hard wired but the capacity for it is. Humans have a tendency to seek out norms and then to align to them. Given this, if individuals perceive a prosocial norm to be the right norm, they will tend to follow.

Social networks and group identity play important roles in establishing and redefining norms. Individuals are most likely to follow the norm of groups that are most closely associated with their identity (e.g. such gender, race) but also by people who are thought of as successful (and therefore perceived as having the potential to shift norms).

LARA AKNIN — Giving Feels Good

Prosocial spending has emotional benefits. In a study that looked at individual monthly spending patterns, only prosocial type spending (vs spending on oneself) was shown to be a predictor of happiness, even when controlling for income levels of participants. This finding was validated through another study in which students were given either \$5 or \$20 and told to spend it on themselves or spend on/donate it to others. Those students who spent the money on others, regardless of the amount, were happier than those that spent the money on themselves.

The benefits of prosocial spending are seen in both low and high income countries worldwide.

Even in countries with more limited resources than North America, prosocial spending corresponds to higher levels of happiness. For example, providing individuals in both rich and poor (and even small scale and highly isolated) countries with a goodie bag and allowing them to either keep it for themselves or to donate it, those

individuals that gave prosocially reported higher levels of happiness.

The emotional rewards of prosocial giving are seen across the lifespan and might be particularly rewarding if it comes with some cost to the giver.

Children at age two, when given the opportunity to give a toy monkey a treat, either their own or an identical treat that did not belong to them, showed greater levels of happiness while giving than receiving treats. That children showed highest levels of happiness when giving away their own treat suggests that giving might be especially rewarding even if when it is costly.

People tend not to intuit the benefits of prosocial behaviors.

Individuals are more likely to think that spending \$20 on themselves, for example, will make them happier than spending on others. The inability to anticipate the benefits of prosocial giving may actually be a hindrance for engaging in prosocial activity.

INSIGHTS FROM PARTICIPANT-LED DISCUSSION

Organizations may be able to harness the positive effects of previous prosocial experiences to encourage future giving. Those who feel best are typically more motivated to give again. With many organizations experiencing attrition rates of giving, implementing strategies that capitalize on the happy factor of giving were discussed. As recalling a time in the past in which one spent on others has been shown to lead to higher levels of happiness than recalling a time spending on oneself, it was suggested that organizations could engage with potential donors by getting them to think about a time in the past that they gave.

The nature for how one gives can have an impact on the psychological rewards. Donors are more inclined to give when feel the sense of volition to give. They also benefit from knowing their gifts are having a positive impact. Further, if people are motivated for selfish reasons (e.g. to have ones name on a donor board), they tend not to feel as good about giving as when it is for altruistic reasons. Questions were also raised as to the relationships between levels of happiness and time (i.e. volunteering) vs money and depth vs breadth of giving.

The impacts of “moral licencing” is a struggle for many organizations. Research has indicated that people do kind deeds to earn “moral credits” however after they have reached a certain level, they are in the position to feel the right to decline. This can have important implications for organizations reliant on volunteer resources as well as those seeking donations, such as when an individual donates and then declines or one volunteers but then does not donate.

Giving, and the absence of it, may have negative consequences. When one does a kind deed and it makes them feel good, they are inclined to do it repeat the behavior, however, if they do a kind deed

and do not get the positive reward, then it may lead to declined engagement. In addition, those that do not give may experience psychological consequences (e.g. shame by groups) and physical effects (e.g. stress).

There are three ways to unlock the emotional rewards of giving: having a social connection, having a perceived impact of giving and having choice (i.e. real choice vs illusion of choice)

There are cultural implications of giving for effectively engaging communities. Those not born in Canada tend to give more than people in Canada which has implications for organizations operating in highly multicultural cities with larger immigrant populations. Also, immigrants that have been educated on the value of giving and experience how volunteering can be an effective mechanism for integrating into a new community tend to later advocate amongst new immigrants in their community (i.e. peer to peer) to volunteer/give.

Engaging youth in giving activities can help foster the next generation of donors. Youth that are invested in the cause, given a choice of how to contribute and who can see the impact of their giving efforts and tend to show the greatest rewards from giving activities.

Setting prosociality as a social norm should be a collective goal. People are more likely to follow a pattern of someone that is similar to themselves (e.g. colleagues undertaking nonprofit/probono work can begin to create an expectation or norm in the workplace). In helping to shift norms, one should consider the 80/20 rule: 10% of individuals are highly prosocial, 10% will never give and the remaining 80% are herd followers. Encouraging those in the latter group that are motivated to give to give first may start the trajectory in a pro-social direction, inducing others to follow.

INNOVATION IN ACTION:

- Engage donors in the happy factor of giving by recalling a time when they gave or acted prosocially. This may induce more giving.
- Organizations should consider the impact of different kinds of giving, such a donating or volunteering, and how these different forms either support or limit opportunities for future engagements.
- Remember the three ways to unlock the emotional rewards of giving: having a social connection, having a perceived impact of giving and having choice
- Consider how to engage newcomer communities through the happy factor of giving to promote future stewardships and giving opportunities
- Consider how peer to peer fundraising may be a strategy to reach fundraising leaders. Having these leaders identified and demonstrate to their network by sharing success stories of impact may be an effective strategy to encourage more donors to join in as it may induce prosocial behaviour norms and behaviours.