Next steps for even more generous Romanians

In a few words: a better education, transparency and a legislation that favors donations.

Educating the public and businesses – the main messages would be that any donation, no matter how small, can have a significant impact and that, in the case of the business sector, community involvement also means a better image in the community, better sales, loyal employees and clients.

Transparency – NGOs that use funds wisely must make efforts to differentiate themselves from deceitful and dishonest organizations. This differentiation can be accomplished by emphasizing transparency, for example by publishing a regular annual report, by solid financial management, a large membership base, and by respecting legislation.

Legislation that favours donations and sponsorship – one example would be the One Percent Law which was enacted in Hungary, Slovakia, Lithuania and recently in Poland. The One Percent Law allows citizens to direct 1% of their taxes to public-benefit organizations. The Law doesn't have a significant impact on the national budget (as few citizens use this right), but it has a significant impact on NGOs' budgets. Moreover, it represents an act of participative governing, because it allows citizens to directly decide what happens with 1% of their taxes. Banking legislation could be improved by extending the use of credit cards; lowering bank charges for small donations could also contribute to increasing the volume of donations.

Who are we?

Association for Community Relations

ACR's mission is to promote philanthropy in Romania. We accomplish this by helping non-profits and public institutions to raise funds from their communities on the one hand and, on the other, by offering assistance and information to companies interested in developing and implementing efficient giving strategies.

Allavida

Allavida's mission is to help people acquire the skills, knowledge, confidence and resources to lead local action and achieve constructive change in their communities.

Further information

Please contact us at the address given below for further information concerning Romanians' generosity and to obtain a free copy of the complete study. If you represent a company and are interested in our giving guide,Making efficient donations for company and community increasing the impact of donations and sponsorships, you can contact us at the same address.

This project is funded by Charles Stewart Mott Foundation.

What is the impact of Romanians' donations?

There are, probably thousands or tens of thousands of successful examples concerning individual or business involvement in the community. Over 100 of these cases were nominated for the "People for People" Gala, held in Bucharest in May 2003.

- *Around 60% of the employees in a mobile phone company make an average donation of 100,000 lei every month. The amount collected from the employees every year is matched by the company. The funds are used to support child protection services.*
- *Simple donations of 30,000 lei can double the daily food ration for an old person living in a hostel.*
- *A carpentry workshop in a Transylvanian village decided to build for free the furniture needed for the local kindergarten.*
- *Some employees in an office equipment and IT company volunteered for a year to maintain a park in Bucharest.*
- *A medium-sized enterprise in Craiova developed an environmental protection project that addressed institutions in the city. The company contributed with trash bags for collecting and sorting household waste. The project was continued by a high school that volunteered to clean the central park of the city.*

The conclusion here would be that anybody can get involved and any donation - regardless how big or small - can have a major impact on the life of a person or the entire community.

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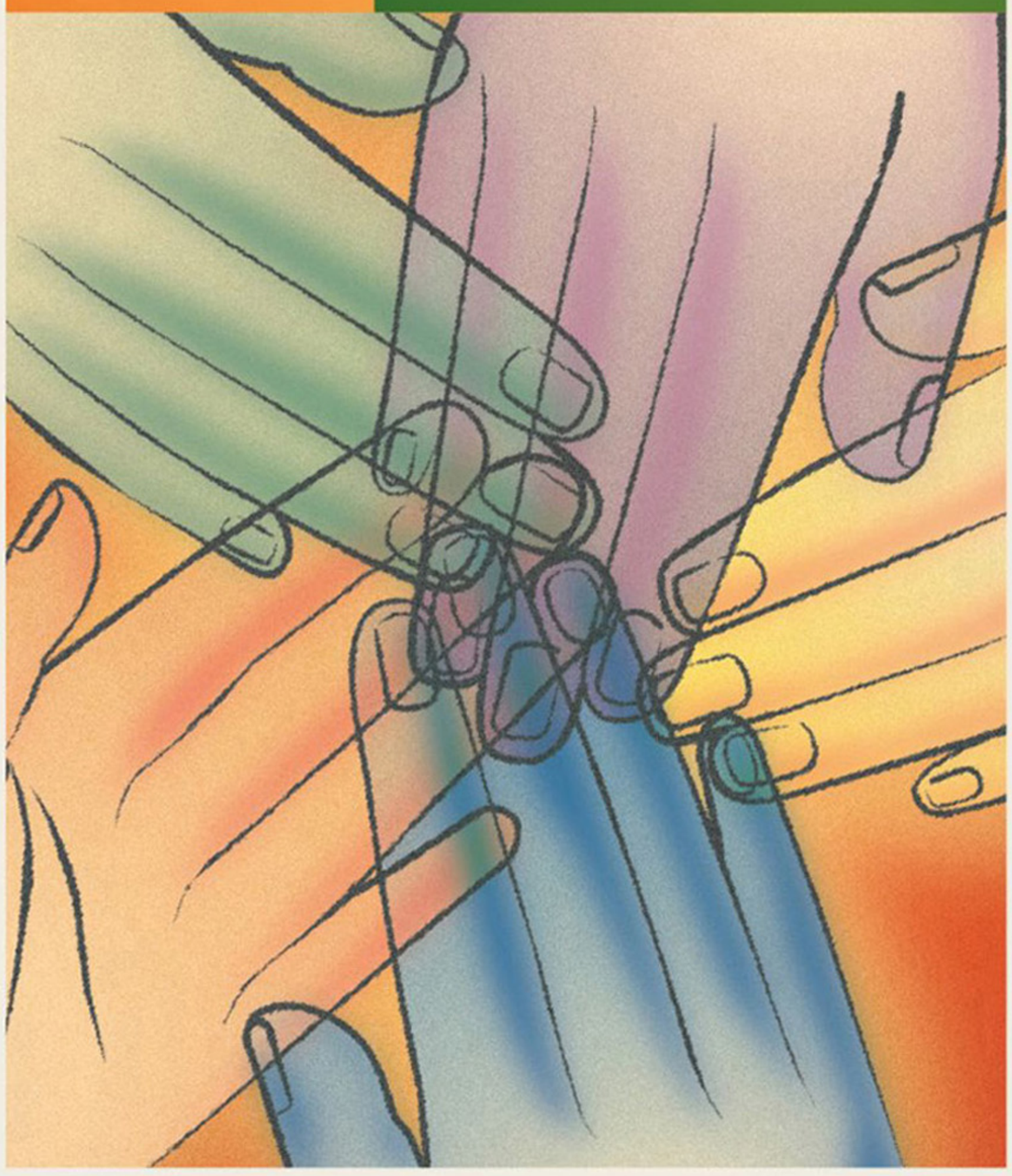
Romanians' Generosity

Research into Philanthropy among Individuals and the Business Sector



"Money doesn't come out of the pocket; it comes out of the heart. I think something else motivates people to give."

– Valentin Mamota,
Asociația Copii Speranței din Vlădești –

"I think we have succeeded to prove that reaching the business objectives of a company can go hand in hand with reaching very specific needs of a community, such as in our case happened with children."

– Cristofor Iosub,
Kraft Foods –

Why do we need generous Romanians (and research on them)?

There can be no doubt about the need for a solid civil society in Romania. Non-profit organizations work in the field of social services, environmental protection, research, human rights, health services, arts and culture.

A simple glance at the mass media shows that we are surrounded by such organizations (starting with Uniter Prizes Gala, Save the Children or Red Cross). A large part of the funds these organizations need comes from international donors such as the EU or US programmes, Canadian, Danish or Dutch funders. But the closer we get to joining the European Union, the more international support decreases and the expectation to 'stand on our own two feet' increases.

Given this situation, research was carried out to see what chance NGOs have to stand on their own two feet and to see whether individuals or firms are generous or rich enough to replace international donors. The research is based on two national polls that were conducted in 2002 by Metromedia Transilvania and field controlled by the Gallup Organization. The authors and initiators of the research are the Association for Community Relations (Romania) and Allavida (UK).

Romanians are generous!

Almost half of the Romanian population (44%) made a donation in2002 (in cash or in kind) to different organizations, while 40% of businesses made some contribution. Although the phenomenon is not as widespread as in countries such as the USA or Holland, where the figure is closer to 90%, we can definitely say that it is a mass phenomenon in Romania.

Who are the beneficiaries of this generosity?

First of all it's the church (as in everywhere else in the world), then schools, kindergartens, different types of NGOs, medical and cultural institutions. In this regard, Romanians are no different from the more developed states or from other countries in the same region.

How much are the Romanians donating?

The individual donor gives an average of 100,000 lei per year. This may not seem a great deal, but the estimated annual amount raised nationally is around six million dollars: a sum equal to the value of a large EU or US grant programme for civil society.

The data show that there is a high potential for donations, both at the individual level and the business level. However, considering the fact that the average donation is small, an NGO needs plenty of donors or sponsors in order to raise large amounts of money, and this involves considerable effort.

Why do Romanians donate?

One of the main motivating factors for donors is the trust that they have in the organization or the person requesting the donation, which is the trust they have that the money will go where it is needed.

The motivation to make a donation, for both individual donors and businesses, is mostly emotional that is generated by feelings including pity, sympathy, compassion or the desire to help others. The second most common is the normative motivation that is imposed by society, group of friends, or religious group. In this case, people (or companies) donate because their neighbour (colleague, friend or competitor) donates, because they were taught by their families to do so or because their religious education compels them to give to others. The third type of motivation the reciprocal motivation is the least common. These kinds of motivations refer to a situation where by making a donation, the donor himself gains a direct or indirect benefit. For example, if you make a gift towards environmental protection, you "get" a cleaner environment; if you donate for human rights protection, you "get" the chance of better police treatment; if you choose to make a gift to a school, you "get" a better education for your child.

The fact that Romanians' motivations are mostly emotional doesn't necessarily mean that they are more altruistic. Rather, it means that they are lacking the programmes and the education that would help them see a connection between involvement in the community (whether as individuals or businesses) and the direct or indirect benefits that they gain from this involvement.

What are the ways of donating?

Generally, Romanians prefer to react to a request, instead of consciously targeting their donation. We can therefore say that Romanians donate as they are requested to do! The great majority of donations are made inside the church. People also donate during street collections or telethons (where TV plays a major role).

The business sector usually donates when asked by individuals or organizations (requests are made by letters, phone calls or in face to face meetings). There are few companies that have a giving strategy and integrate their donations into their PR or marketing strategy.

In other countries, companies use their involvement in the community as a positive factor in building their image. That is why it is possible that the business sector could make better use of this method of "doing well by doing good". Concerning this matter, a giving guide called "Making efficient donations for company and community increasing the impact of donations and sponsorships" addressing companies, was produced based on the data collected in the survey.

The near impossibility of making Internet donations, the limited use of credit cards and high bank charges make individual donations quite difficult, especially for individuals interested in making small donations.