

Rich People Say Their Gifts Make Little Difference, but Most Worry About Income Gap, Studies Find

By Caroline Bermudez and Maria Di Mento

Most wealthy people give, but few of them are satisfied with what their philanthropy accomplishes, says a new report.

The [report](#) by UBS Wealth Management Americas found that 9 in 10 affluent people say they donate to charity, yet only 20 percent consider their giving to be effective.

Sameer Aurora, head of client strategy at UBS Wealth Management Americas, said he was surprised that people thought their giving made little difference. One reason, he said: "People tend to give as they're asked by friends and family, reacting to spur-of-the-moment requests at random." Donors who are happier with their philanthropy, he said, tend to have plans in place.

For the survey, UBS received data from 2,210 clients, including 1,372 who have assets worth at least \$1-million. Other people in the survey were less well off and younger than a typical millionaire.

Generational Shifts

The report also revealed generational shifts in giving. Mr. Aurora said these changes are reflected in the causes donors support.

Donors who are baby boomers or older are more likely to support established institutions like arts organizations and religious groups. Younger donors prefer to align their giving with other personal values, Mr. Aurora said.

"The older generations' approach is more traditional and out of a sense of duty and responsibility," he said. "And the younger generations, in particular the millennials, see it as much more of a passionate calling."

Women are more active in charitable giving than men; for instance, they are more likely to volunteer, with 67 percent of women donating their time versus 57 percent of men surveyed. Increasingly, women play a lead role in household decisions about giving, the survey found.

Mr. Aurora said female and younger donors see philanthropy as more than obligation: "They're much more actively engaged around philanthropy. They see it as embedded and integrated with their day-to-day life."

Other findings:

- Fifty-two percent of wealthy people plan to leave a big share of their wealth to charity when they die.
- One third of the wealthy say they have increased their donations over the past decade, while less than 10 percent have given less.
- The wealthy derive more meaning from volunteering than from [giving money](#).

The study is available for free at ubs.com

Concern About Inequality

Another report about attitudes of the wealthy released last month found that 64 percent of millionaires are worried about economic inequality in America and that seven in 10 give to charities that fight poverty and hunger.

Nearly two-thirds of respondents to the [PNC Wealth and Values Survey](#) said they support scholarships and other educational programs for children from lower-income families.

The survey was commissioned by PNC Wealth Management and conducted by Artemis Strategy Group, which polled 945 wealthy Americans, 476 of which hold assets of \$1-million or more.

Among other findings:

- Nine in 10 respondents said they made a donation, volunteered, or donated goods or services to nonprofits last year.
- Two-thirds of them reported encouraging their children to donate and volunteer.
- Only 31 percent donated to a political candidate or party last year.

***Editor's note:** This article has been updated on October 31, 2014, to include information from the PNC Wealth and Values Survey.*