

**Researchers**

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**Timeline**

2010-

**Sample Size**

24 GlobalGiving organizations in Peru, Ecuador, Guatemala

# Impact of Accountability- GlobalGiving Mentoring

## Abstract

Can communicating beneficiary feedback to donors augment philanthropic gifts or improve the operations of charitable organizations? It is unclear whether an organization with a higher level of accountability is more appealing to donors than one with a lower level of accountability. From an institutional perspective, it is also unclear if greater transparency within an organization helps to increase its effectiveness in achieving its mission. By providing direct feedback from program recipients to institutions and their donors, the effects of transparency on donor participation and organization functioning will be assessed.

## Context of the Evaluation

GlobalGiving is a US-based non-profit and online marketplace that allows donors to give directly to projects in developed and developing countries through targeted online donations. GlobalGiving serves as an intermediary between donors and local partner organizations that implement and monitor projects on the ground. The idea behind this type of targeted online giving is to reduce the number of intermediaries between the donor and the recipient so as to provide a stronger and more efficient vehicle for development finance. The model also allows donors to have greater control over the types of projects their donations will support and provides information about how specific dollar amounts are used to make a difference for each program.

## Details of the Intervention

IPA's intervention targets randomly selected donors from GlobalGiving's online platform and organizations in three countries in which GlobalGiving currently operates: Ecuador, Peru and

Guatemala.

The first phase of the study measures the impact of direct SMS/text messages from beneficiaries of local organizations on the level and frequency of donations from GlobalGiving's online supporters. Existing donors were randomly assigned to one of two treatment groups. Those in the treatment groups were presented with information regarding the new beneficiary feedback measure at the same time that they were solicited for another donation with or without specific beneficiary messages. Those in the comparison group received an email asking for another donation to a previously supported project.

New visitors to GlobalGiving's website were also randomly assigned a treatment group, viewing project descriptions advertising feedback from clients, or a comparison group, viewing standard project descriptions. Researchers will analyze the giving behavior of individuals in treatment and comparison groups: the likelihood of an additional gift, average gift size, and whether or not donors give to additional projects.

The second phase of the study measures the impact of direct client feedback regarding the services provided by organizations on institutional behavior. Client satisfaction surveys and/or an external audit were used to measure changes in the effectiveness of the organization or any shifts in organizational behavior that result from the introduction of client feedback. In this phase, the treatment organizations received information about the client feedback program and were asked to encourage their clients to send SMS messages about services they receive. Clients were informed that they would be reimbursed for the cost of sending the SMS message and would receive a small payment as an additional incentive. Beneficiaries of comparison group organizations were not eligible to give feedback to GlobalGiving. The goal of this phase of the project is to a) collect evidence on how organizations change their practices when feedback from donors is provided directly to donors and b) learn how providing donors with feedback affects organizations' participation in the GlobalGiving community.

## **Results and Policy Lessons**

Results forthcoming.

March 22, 2013