



Building Trust in the Nonprofit Sector

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Executive Summary

In today's evolving philanthropic landscape, trust is the essential currency driving mission success. A recent Q4 2024 survey of 2,500 U.S. adults ($\pm 2.0\%$ margin of error) confirms that trust is fundamental to donor giving decisions. As federal funding grows precarious, a rock-solid foundation of public trust isn't just important—it's essential in donor decisions on whether or not to give to a nonprofit.

This report shows that donor confidence is not a mere byproduct but a strategic asset fueled by factors that are directly within our control, and examines the top five drivers of trust.

Key Findings

69% of Americans trust (completely, moderately, or somewhat) nonprofits to operate effectively and act in the best interests of all stakeholders, including customers, donors, and community members.

Our analysis revealed these top 5 key drivers of nonprofit trust:



Perceived Operational Efficiency - Efficient operations build trust. A 20% boost in efficiency perception drives a 15% rise in donor trust, with 72% of donors valuing clear processes.



Small Business Partnerships - Local partnerships enhance credibility. Collaborations with small businesses can increase donor trust by 14%, showing that trusted business ties matter.



The Power of Personal Connection - Personal engagement and authentic storytelling strengthens trust. A 20% boost in personal connection leads to a 12% increase in donor trust.



Visible Leadership & Governance - Transparent leadership reassures donors. Clear governance practices lead to a 12% trust increase, with 93% saying strong governance is essential when giving.



Communicating Milestones - Sharing successes validates impact. A 20% rise in goal achievement correlates with a 5% boost in donor trust, reassuring nearly 80% of supporters.

Call to Action

With donor trust at the heart of fundraising and nonprofit success, organizations must prioritize strategic investments in efficiency, partnerships, personalized engagement, and transparent leadership. By effectively communicating measurable outcomes, nonprofits can not only bridge the trust gap but also galvanize broad-based support to drive impactful change across their communities.

From Shannon McCracken, CEO of The Nonprofit Alliance

Nonprofits stand at the forefront of social impact, transforming communities and lives every day. But no mission—no matter how noble—can thrive without the confidence of its supporters. Trust is our sector’s greatest currency, and we must guard it fervently.

In the pages that follow, you’ll discover insights into how donor perceptions of overhead and general institutional trust shape the public’s faith in nonprofits. These headlines aren’t new, but the tone of the public conversation has dramatically shifted over the last several weeks, and our sector needs to reassess our assumptions of commonly understood truths. This is the time to revisit what we know, and what we think we know. It’s also time to reckon with our resistance to certain indicators. The power of personal connection (#3) may feel common sense. Ask yourself: Are we doing enough? Is it time for a refresh? The finding on efficiency and overhead (#1) may spark frustration that we are still justifying operational investments. Resist the urge to argue and consider whether it’s our messaging, not our spending, that should evolve. This is the time to get back to basics, capitalize on even the most obvious of trust levers, and double-down on communicating our strong governance and business acumen alongside our compelling stories of programmatic impact.

I hope this report inspires you to review your organization’s strategies and adapt them to meet today’s public expectations.

Charitable giving is a very personal decision, and any one individual’s levels of trust, and the factors affecting it, will not always fit a neat definition. This and other studies have shown that people from all demographics have an innate willingness to be charitable. It is our role to meet them where they are, to uphold the highest standards, and to ensure that every charitable contribution advances the common good.

Sincerely,



Shannon McCracken
CEO, The Nonprofit Alliance

1. Perceived Operational Efficiency

Summary

Donor confidence grows when they see that your organization is efficient—through transparent storytelling, impact data, smart resource allocation, and effective technology and staff training.



An increase of 20% in perceived operational efficiency led to a 15% boost in donor trust.

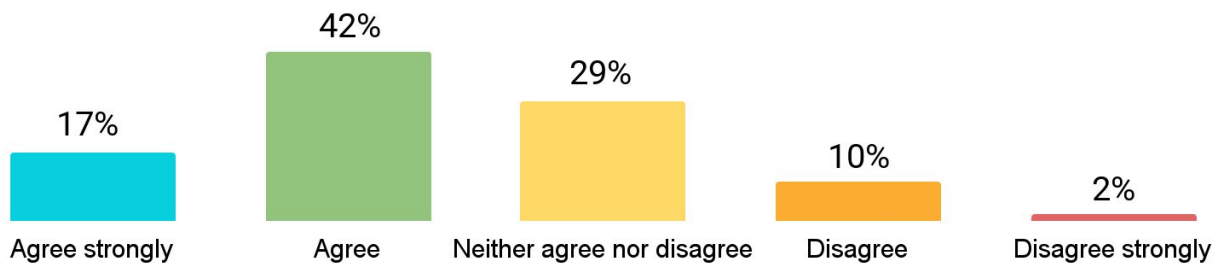


72% of donors rating operational efficiency highly report strong overall trust.



59% of donors agree that nonprofits operate as efficiently as they can with their resources.

Question: In general, do you agree or disagree that most charity organizations operate as efficiently as they can to do the most with the resources they have?



Efficiency does not equate with cost-cutting. It's investing in technology, leadership, and transparency to improve impact ratios.

Three Actions to Take

1. Implement Efficiency Audits

Regularly review and optimize your internal processes by conducting periodic efficiency audits. This means evaluating everything from technology systems to workflow procedures to identify opportunities for improvement. When you streamline operations—without sacrificing quality of work product—you validate that spent resources directly contribute to mission-critical activities.

2. Publicize Measurable Improvements

Develop clear, quantifiable performance metrics and share success stories through annual reports, newsletters, and your website. By highlighting improvements such as reduced turnaround times, enhanced service delivery, and impact to your constituents, you create a compelling narrative that showcases a commitment to excellence.

3. Invest in Staff Training and Technology

Allocate resources toward regular staff training and the adoption of modern technologies that drive efficiency. Empowering your team with the skills and tools needed for process improvement not only enhances operational performance but also demonstrates to donors that you are committed to continuous improvement to achieve your mission.

2. Small Business Partnerships

Summary

Donor confidence grows when they see that your nonprofit is associated with trusted small businesses via strategic partnerships, credible endorsements, impact data, and transparent collaboration.



Collaborations with small businesses can increase donor trust by 14%.

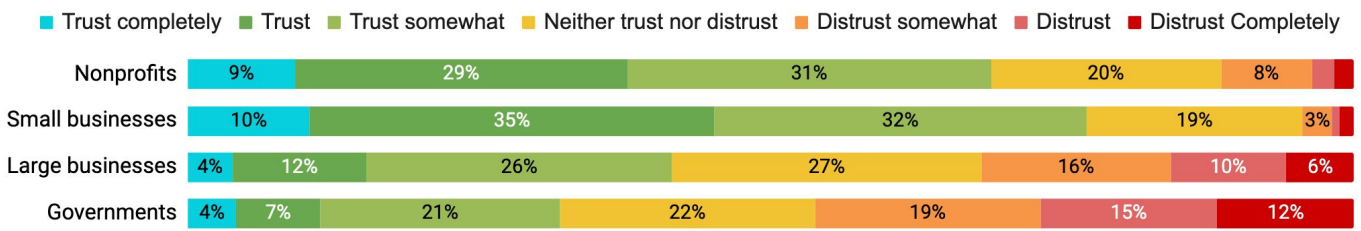


68% of donors who trust small businesses also report strong trust in nonprofits.



69% of Americans trust nonprofits to operate effectively and serve all stakeholders.

Question: To what degree do you trust or distrust each to operate effectively and with the best interests of all stakeholders including customers, donors, citizens, and others who rely on what they do?



Leveraging external credibility through mission-aligned partnerships signals that your organization adheres to high standards, which significantly reinforces donor trust.

Three Actions to Take

1. Forge Strategic Partnerships

Collaborate with reputable local businesses on joint initiatives and sponsorships. These partnerships broaden your reach and lend additional credibility, reassuring donors of your reliability, particularly when it comes to small business affiliation.

2. Showcase Collaborative Successes

Regularly share case studies and testimonials that highlight the positive outcomes of your partnerships. Demonstrating joint successes provides tangible evidence of your effectiveness, building donor trust.

3. Integrate Trusted Branding

Incorporate logos, endorsements, and testimonials from your partners into your marketing and communications. These visual cues quickly signal to donors that your organization is credible and well-connected.

Top 5 Drivers of Trust

3. The Power of Personal Connection

Summary

Donor confidence grows when they feel a personal connection to your cause—through authentic storytelling, individualized engagement, clear impact data, and direct donor interactions.



An increase of 20% in personal connection leads to a 12% boost in donor trust.

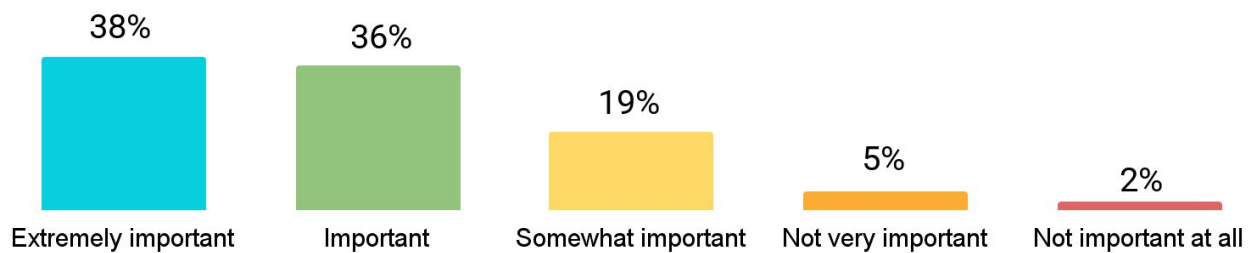


70% of donors who feel a personal connection report strong overall trust.



74% of donors say their passion for the cause is important in their decision to give.

Question: In choosing charitable organizations that you might support with donations of your time or money, how important would you say your passion for the cause is?



Engaging donors on a personal level and connecting with their experiences turns abstract impact into relatable experiences, fostering long-term loyalty and deeper trust.

Three Actions to Take

1. Craft Compelling Narratives

Develop authentic stories featuring real-life testimonials that illustrate how donor contributions transform lives. Bringing your mission to life through personal examples creates a narrative that resonates emotionally and builds lasting trust.

2. Create Personalized Touchpoints

Tailor your communications—via email, social media, or newsletters—to address individual donor interests. Personalized messaging makes each supporter feel recognized and valued, strengthening their bond with your organization.

3. Facilitate Direct Engagement

Offer opportunities for donors to experience your mission firsthand through site visits, community events, or virtual Q&A sessions. Direct engagement helps donors see the real impact of their support, further deepening their connection and trust.

Top 5 Drivers of Trust

4. Visible Leadership & Governance

Summary

Donor confidence grows when they see that your organization is led with transparency—through clear governance, accountable leadership, impactful decision-making, and visible board oversight.



An increase of 20% in transparent leadership leads to a 12% boost in donor trust.

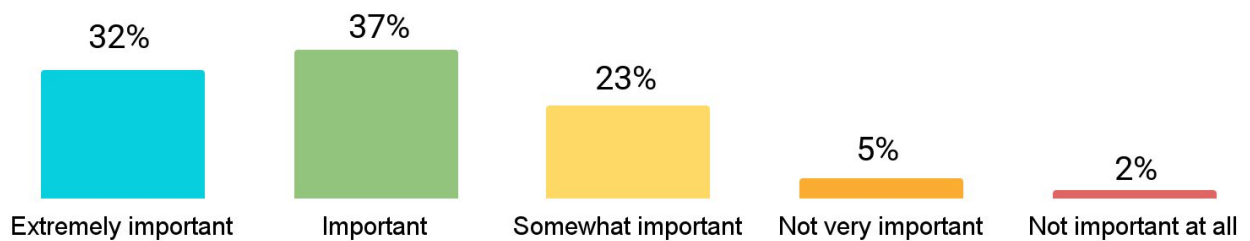


67% of donors who view CEO compensation as justified report higher overall trust.



93% of donors rate strong governance as at least somewhat important in their decision to give.

Question: In choosing charitable organizations that you might support with donations of your time or money, how important would you say it is that they demonstrate a commitment to strong governance?



Strong governance and visible leadership that demonstrates public-facing engagement assure donors that funds are managed responsibly, forming a solid foundation for long-term trust.

Three Actions to Take

1. Showcase Governance Practices

Publicly share governance practices, organizational updates, and decision-making processes. This transparency demonstrates accountability and reassures donors that their support is managed with integrity.

2. Conduct Regular Reviews

Implement periodic evaluations of leadership and board performance to ensure high standards are maintained. Regular reviews signal a commitment to continuous improvement and ethical management.

3. Engage Leadership Publicly

Organize webinars, town halls, or community events where your executive team and board members interact directly with donors. This direct engagement builds trust by making leadership accessible and accountable.

5. Communication of Milestones

Summary

Donor confidence grows when they see that your nonprofit takes a balanced approach to administrative costs that combines cost control with strategic investments in technology, staff, and infrastructure.



A 20% increase in the perception of achieving stated goals leads to a 5% boost in donor trust.

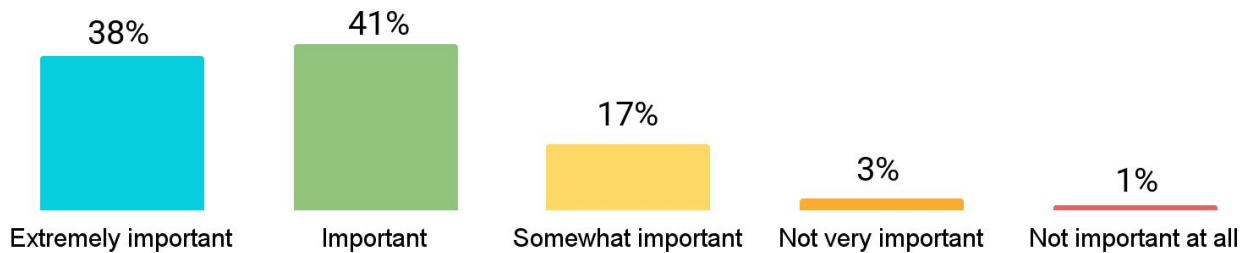


79% of donors find importance in a nonprofit's ability to achieve its stated goals and objectives.



Only 4% of donors don't find importance in a nonprofit's ability to deliver on what they say.

Question: In choosing charitable organizations that you might support with donations of your time or money, how important is your belief that the organization can achieve its stated goals and objectives?



Demonstrating your organization's ability to achieve its goals isn't just about setting targets—it's about delivering measurable success that reassures donors of their contributions create real impact.

Three Actions to Take

1. Demonstrate Clear Outcomes

Regularly communicate specific, measurable results achieved by your organization. Use data-driven reports, infographics, and success stories that clearly illustrate how your programs are meeting their goals. This transparency shows donors the real-world impact of their contributions.

2. Enhance Strategic Planning Communication

Share details about your strategic planning process, including your goals, timelines, and performance benchmarks. By explaining how you plan to achieve future objectives, you build donor confidence in your long-term vision and reliability.

3. Showcase Success Stories

Highlight personal testimonials and case studies that connect donor support with successful outcomes. Demonstrating tangible impacts through real-life examples reinforces the idea that your organization consistently meets its stated objectives.

Trust is the cornerstone of nonprofit success, and it is built through deliberate, strategic action. Each driver of trust enhances donor confidence and serves as a critical lever to drive sustained impact. When nonprofits excel in these areas, they fortify their credibility and empower communities, ensuring that every contribution translates into meaningful, lasting change.

Key Opportunities



Operational Efficiency & Accountability

Invest in streamlined processes and transparent resource management. Regular efficiency audits and clear performance metrics demonstrate to donors that every resource is optimized, driving a tangible increase in trust.



Strategic Partnerships & External Validation

Forge meaningful collaborations with trusted local businesses. These partnerships act as external endorsements, bolstering your organization's credibility and expanding its reach within the community.



Personal Connection & Authentic Engagement

Enhance donor relationships through authentic storytelling and tailored communication. By sharing real-life impact stories and creating personalized touchpoints, nonprofits can cultivate deep emotional bonds that reinforce long-term support.



Visible Leadership & Transparent Governance

Emphasize accountability through open leadership and robust governance practices. Clear communication of decision-making processes and regular performance reviews ensure donors recognize the integrity and competence driving your mission.



Communicate Milestones & Impact

Consistently share measurable successes and key outcomes. Demonstrating progress through data-driven reports and compelling narratives reassures donors of your organization's ability to deliver on its promises.

Moving Forward

By embracing these five drivers of trust, nonprofits can transform donor confidence into a strategic asset that fuels growth and amplifies impact. The path to sustainable success lies in prioritizing operational excellence, forging credible partnerships, engaging authentically, leading transparently, and communicating impact clearly. Now is the time to implement these actions, securing a future where every donor's trust is rewarded with tangible, positive change in the communities you serve.

Methodology

This survey of 2,500 U.S. adults was conducted in November 2024 by The Logit Group, a nonpartisan research firm, with project management led by Pooya Pourak, a consultant in human-centered design, user research, and digital transformation. Designed to capture a statistically significant sample representative of U.S. donors, the survey assessed public trust, awareness, and donor behaviors related to nonprofit organizations, with a margin of error of $\pm 2.0\%$.

Survey Response Distribution

Demographic	Segment	Count	Percent
Age	Under 25	286	8.2%
	25-44	870	34.8%
	45-64	888	35.5%
	65+	536	21.4%
Gender Identity	Female	1,286	51.4%
	Male	1,190	47.6%
	Other	24	1.0%
Household Income	Under \$50,000	1,101	44.0%
	\$50,000-\$69,999	444	17.8%
	\$70,000-\$99,999	437	17.5%
	\$100,000-\$149,999	294	11.8%
	\$150,000-\$249,999	97	3.9%
	\$250,000 or more	27	1.1%
	More than \$500,000	6	0.2%
	Prefer not to say	94	3.8%
Region	South	973	38.9%
	Midwest	544	21.8%
	West	536	21.4%
	Northeast	447	17.9%
Political Affiliation	Democratic Party	975	39.0%
	Republican Party	952	38.1%
	Unsure / Prefer not to answer	407	16.3%
	Libertarians	74	3.0%
	The Green Party	37	1.5%
	Constitution Party	25	1.0%
	Natural Law Party	30	1.2%

Voluntary Participation & Informed Consent

Participation was completely voluntary; respondents could opt out or skip any question at any time without penalty. Before starting, participants received a brief overview of the survey's purpose, duration, and types of questions, allowing them to decide freely whether to continue.

Confidentiality & Data Protection

All responses were collected anonymously and stored securely. No personally identifying information was linked to any individual responses. Only authorized team members had access to the aggregated data, which was used solely for the research objectives outlined in this report.

Minimization of Risk

Questions were designed to avoid discomfort. If a participant felt uneasy at any point, they could withdraw immediately.

Ethical Standards & Transparency

This research follows recognized professional guidelines for survey methods. Results are reported in aggregate form without identifying any individual participant.

Contact & Further Information

Any questions regarding this survey's methods, or findings may be directed to Shannon McCracken, CEO, at smccracken@tnpa.org.

Acknowledgements



To Nonprofit Organizations

We extend our heartfelt admiration to all nonprofits whose dedication to operational excellence, transparent leadership, and authentic donor engagement has built the foundation of trust in our sector. Your tireless efforts—whether through optimizing processes, forging meaningful partnerships, or communicating clear successes—continue to empower communities and sustain social impact in challenging times. Your commitment to these principles not only drives efficiency but also inspires confidence and lasting support.

To Pooya Pourak

We sincerely appreciate Pooya Pourak for his expert analysis and invaluable contributions to the survey and development of this report. His deep understanding of the nonprofit sector's challenges and unwavering commitment to positive change and social impact have been instrumental in crafting actionable, data-informed insights. Through rigorous multinomial regression analysis, Pooya has revealed the tangible impacts of key factors and developed a robust framework that empowers nonprofits to prioritize initiatives that have the greatest impact on trust and drive sustainable growth.

Learn More About The Nonprofit Alliance

To discover how the Nonprofit Alliance can support your organization in navigating these challenging times, visit www.tnpa.org. At TNPA, we offer a wealth of resources designed to empower nonprofits, including advocacy tools, professional development opportunities, and a robust network of like-minded organizations. By joining our community, you gain access to expert guidance, exclusive training sessions, and collaborative platforms that enhance your capacity to make a meaningful impact. Whether you're looking to amplify your advocacy efforts, connect with peers, or leverage strategic resources, the Nonprofit Alliance is here to help your organization thrive. Explore the benefits of membership today and take the next step in strengthening your mission.

Promote. Protect. Strengthen.