



# Trust in Civil Society

**Understanding the factors driving trust  
in nonprofits and philanthropy**

**JULY 2021**

[independentsector.org](https://independentsector.org)



**INDEPENDENT  
SECTOR**

## About Independent Sector

Independent Sector is the only national membership organization that brings together a diverse community of changemakers, nonprofits, foundations, and corporations working to strengthen civil society and ensure all people in the United States thrive. As the vital meeting ground, we advance our mission by fostering a sense of belonging, catalyzing action, and providing policy leadership across the full breadth of the charitable sector.

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## Acknowledgments

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- Dan Cardinali, President and CEO
- Jeffrey Moore, Chief Strategy Officer
- Allison Grayson, Director, Policy Development and Analysis
- Emily Rogers, Manager, Policy Research
- Chris Ryan Rubio, Associate

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# Introduction

**Public trust is the currency of the nonprofit sector.** The public’s belief that nonprofits will “do the right thing” is one of the central reasons the sector exists. Communities have relied upon nonprofits to provide trusted sources of information, life-sustaining services, environmental stewardship, and places of refuge for centuries. In today’s highly polarized environment, understanding and managing trust has never been more important for organizations to own their license to operate, lead, and succeed. Given the outsized importance of trust, it is imperative to assess the status of that trust and how the sector can strengthen our most valuable asset.

Independent Sector, in partnership with Edelman Data & Intelligence, is releasing this second annual report of survey findings that explore the nuances of trust in American nonprofit and philanthropic organizations. Building on Independent Sector’s four decades of bringing together the charitable community for the common good and Edelman’s experience studying trust in both the global and U.S. context, we set out to conduct two national surveys, totaling 8,000 American adults, to assess general population trust in the sector (philanthropy and nonprofits) and uncover the factors that drive trust in nonprofits. These trust survey findings, in addition to being reported in the following document, will be factored into Independent Sector’s second annual “Sector Health Report,” which will be released October 2021.



# Key Findings

The second annual study of trust in nonprofits and philanthropy found that while a majority of Americans remain confident in the ability of the sector to strengthen American society, trust across all institutions is declining. Looking beneath the topline numbers reveals potential insights about the who, where, and why of people's trust in the sector. The data also raises the question of whether underlying systemic issues may impact the public's perception of the nonprofit sector. Specific findings include:

## 1. Institutional trust is declining - and nonprofits and philanthropy are not immune to this trend

Edelman Trust Barometer<sup>1</sup> data shows that last Spring's "trust bubble" has burst - trust in all institutions is returning to pre-pandemic levels. This is consistent with this study's findings, which saw a small drop in trust in nonprofits and a more significant decline for philanthropy.

## 2. Trust disparities deepen and align with broader social trends

The overarching pattern of who trusts (and who does not) remains consistent with 2020 data. Americans with lower incomes, lower levels of education, and residents of rural areas have consistently less trust in the sector than their wealthier, more educated peers. The age gap also widened: Gen Z reported a significant trust decrease, while the oldest respondents increased their trust. These disparities align with broader societal trends, raising key questions about shared underlying causes.

## 3. Public confidence in the sector as a force for good remains

Even amid declining trust, Americans' expectations for the sector remain high. They believe the role of the sector should be to help the less fortunate, make change, and lead by example. And, the public is confident in the sector's ability to do this - 84% of respondents said they were confident in the ability of nonprofits to strengthen American society, and 65% said the same of philanthropy. The sector has an opportunity to consider innovative ways to build upon this public confidence to deliver greater community impact and reverse declining trends in trust.

## 4. Civic action and trust reinforce one another

Sizable majorities say trust is a necessary factor for them to support nonprofit organizations. Trust is the second-most motivating factor for support, ahead of peer recommendations and direct appeals. However, donors, volunteers, and voters also report higher levels of trust, which hints at a potential two-way relationship between trust and civic action.

## 5. Greater engagement breeds trust

While trust in the sector is declining overall, the good news is that those who are familiar with nonprofits and philanthropy are more likely to trust them. Even among those familiar with nonprofits, data supports the possibility that more frequent and deeper engagement yields even greater trust. For example, those who report *regularly* receiving services from nonprofits report higher than average trust scores – 42% of receivers say their interactions with the organization improved their impression of nonprofits generally.

## 6. Purpose and integrity fuel trust in individual nonprofits, but sector drivers less clear

Statistical modeling shows the top factors contributing to people's trust lie in individual nonprofits' ability to demonstrate purpose and integrity. Top trust drivers for both nonprofits and philanthropy include having a clear mission, engaging underserved communities, and benefiting Americans' local communities. The fact that integrity ranked as a primary trust driver for individual nonprofits is consistent with the finding that the most common reasons Americans distrust nonprofits are perceived financial impropriety and self-enriching behavior. The findings raise a question about what it means to scale these drivers to apply at a sector level. Determining strategic drivers for the the sector may include the need to deliver a noticeable positive impact on respondents' lives and strengthen sector-wide systems promoting transparency and accountability.



### Key Research Terms

**Nonprofit organizations** can include churches and religious organizations, historic societies and museums, health and human services organizations, animal or environmental groups, and groups that help veterans, as some examples.

**Philanthropy** can include corporate philanthropy, private foundations, or high net worth individuals engaged in philanthropic efforts.

### Methodology

Edelman Data & Intelligence fielded two 15-minute online surveys among U.S. adults ages 18+. Results were weighted to ensure samples are comparable to the 2020 benchmark study and are nationally representative across race, income, educational attainment, gender, age, region, and urbanicity.



**Audience**  
U.S. general population



**Sample size**  
Nonprofit n=5,000;  
Philanthropy n= 3,000



**Margin of error**  
Nonprofit  $\pm 1.8\%$ ;  
Philanthropy  $\pm 1.4\%$



**Timeframe**  
April 29 -May 18,  
2021

\*Wave 1 of Nonprofit 2020 study was fielded December 2 - 19, 2019 with n=3,000 participants

\*Wave 1 of Philanthropy 2020 study was fielded February 28 - March 16, 2020 with n=3,000 participants

# Trust Metrics for the Nonprofit and Philanthropic Sectors

Trust is a necessary condition for many Americans' support of nonprofit organizations

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"Many factors, including how much I trust a nonprofit to do what is right, determine whether or not I support it financially, or through volunteering." Agree:

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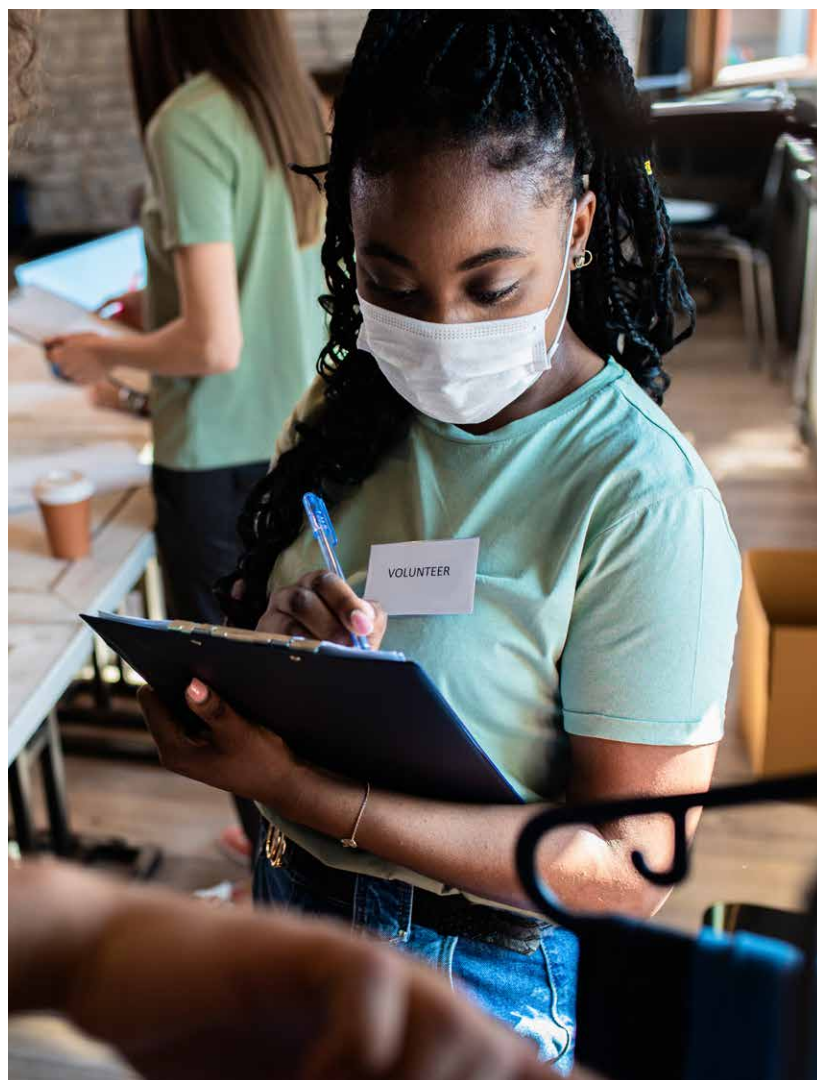
63%

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"Nonprofits must earn my trust before I support them." Agree:

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83%

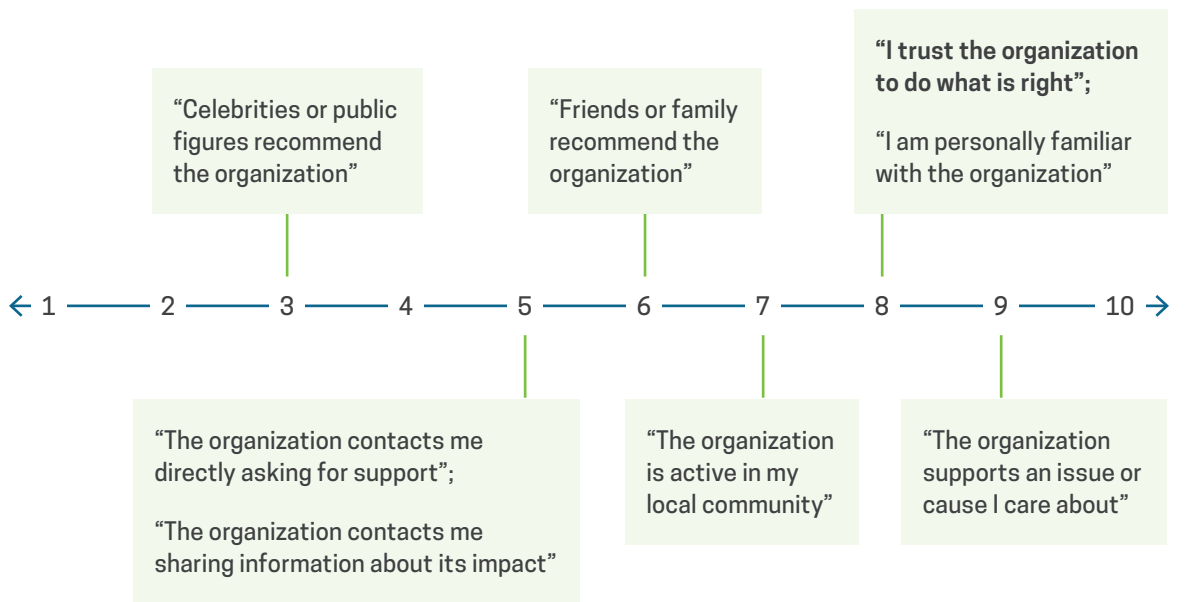




## A key motivator of support for nonprofit organizations, trust is closely connected with familiarity and more motivating than peer recommendations or direct appeals

Ranked factors motivating support for a nonprofit

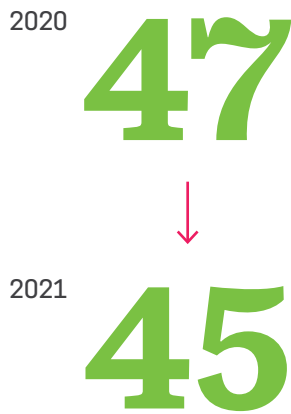
Shown: Median Selected Score: 10 = "Most motivating"



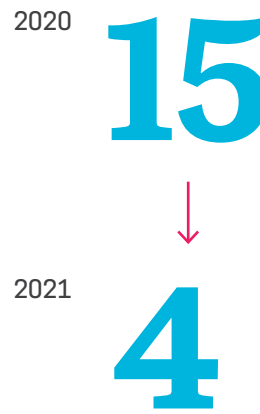
## Net trust in nonprofits has held steady while net trust in philanthropy substantially declined over the past year

“Do you trust X to do what is right?”

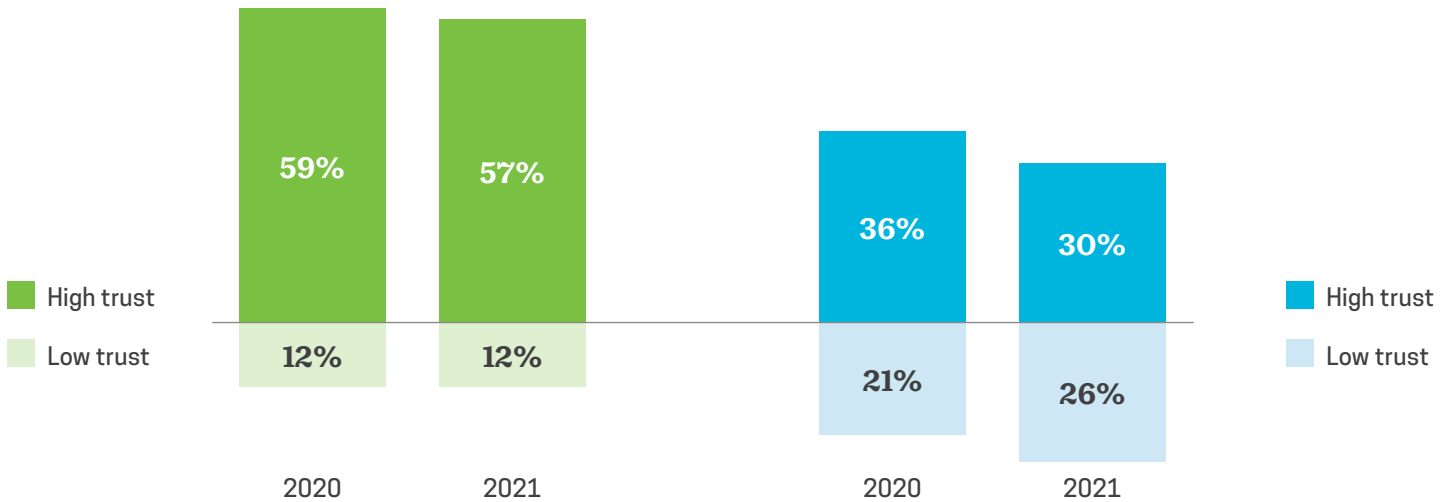
Nonprofit organizations



Philanthropy



Net trust score = High trust - Low trust

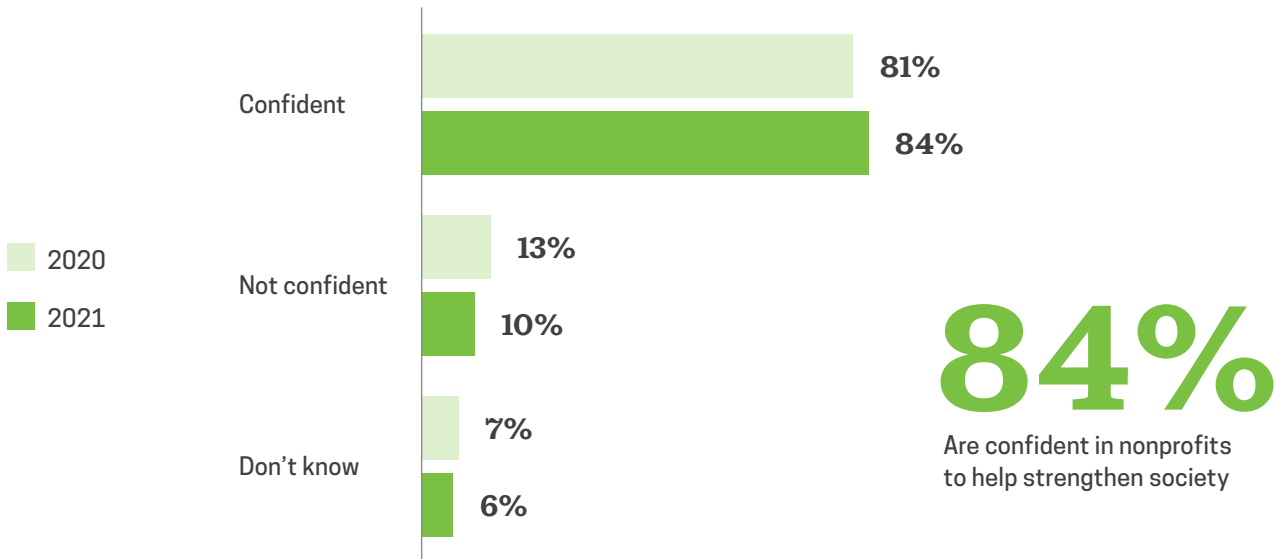


Q15: How much do you trust nonprofit organizations to do what is right? Total Base Size n=5,000 Q25: How much do you trust companies that engage in corporate philanthropy to do what is right? Base Size: n=991 Q32: How much do you trust private foundations to do what is right? Base Size: n=1,000 Q38: How much do you trust high net worth individuals engaged in philanthropy to do what is right? Base Size: n=1,009

## Even amid upheaval of the past year and some trust declines, confidence in the ability of nonprofits and philanthropy to strengthen society remains high

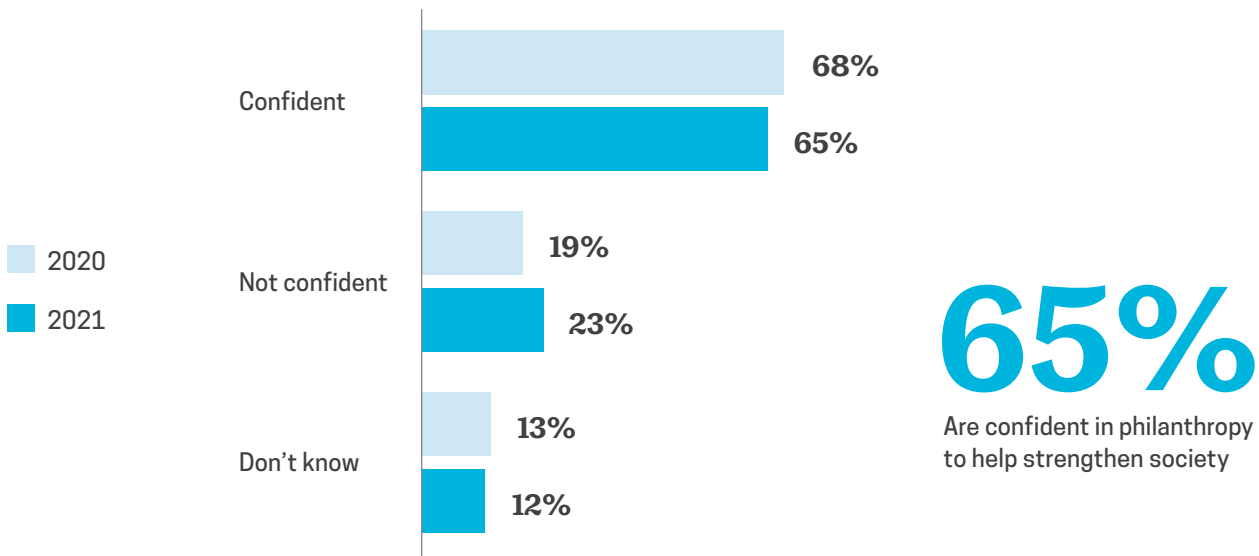
### Confidence in nonprofits

Shown: Top 2 Confident/Bottom 2 Not Confident



### Confidence in philanthropy

Shown: Top 2 Confident/Bottom 2 Not Confident



Q13: How confident are you in the ability of nonprofit organizations today to help strengthen American Society? Base Size: n=5,000

Q13B: How confident are you in the ability of philanthropic organizations and individuals today to help strengthen American society? Base Size: n=2,891

## Americans want nonprofits to focus on helping the most vulnerable, making change, and providing a good example for others

### Preferred role of nonprofit organizations in strengthening American society

Shown: Coded open-end responses

# 45%

Helping the less fortunate

*Assisting those in need, improving the lives of the less fortunate, providing services to those in need*

# 16%

Making change

*Educating the community, increasing awareness, filling needs that the government cannot*

# 11%

Leading by example

*Being a leader for others, encouraging others, getting people involved, setting an example*

“

A country is only as strong as its weakest link. Nonprofits very often help those most vulnerable or most poor. They need a hand up and nonprofits do that.”

“

Fighting for causes the government either can't or won't ... their role should be as a corrector to the government's blind spots.”

“

To show people how to act by example.”



## Trusters in nonprofits and philanthropy point to altruistic motivations and demonstrated successes; distrusters cite scandals, financial impropriety, and political bias

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### Reasons for trust/distrust in nonprofits and philanthropy

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Shown: Coded open-end responses

#### High trust in nonprofits

57%

- Helping others for the greater good
- Aware of nonprofits with long track records of success
- Believe in the work that nonprofits are doing to support good causes
- Not seeking personal enrichment/ not profit-motivated
- Good personal experiences

#### High trust in philanthropy

30%

- Moral responsibility to support them
- It's what they do/their mission
- Offer help to others/focus on the greater good

#### Low trust in nonprofits

12%

- Associations with corruption and greed, or potentially pocketing money
- Not financially transparent
- Political bias
- Bad personal experiences, have either heard something negative or witnessed it firsthand

#### Low trust in philanthropy

26%

- Money doesn't go where they say it should/ too much goes to overhead and salaries
- Not in it for the right reasons
- Heard about scandals or corruption
- Political bias

Q16/17: Why do you trust/distrust nonprofit organizations to do what is right?

Q26/27/33/34/39/40: Why do you trust/distrust [companies that engage in corporate philanthropy, private foundations, high net worth individuals engaged in philanthropy] to do what is right?

## Trust in both sectors is closely associated with educational attainment, class, and politics

### Trusters

57%

High trust in nonprofits

30%

High trust in philanthropy

### Distrusters

12%

Low trust in nonprofits

26%

Low trust in philanthropy

#### Trusters are more likely to...

- Be a college graduate or have a post-grad degree
- Have higher household incomes
- Registered to vote as a Democrat
- Live in an urban area
- Be older in age

#### Distrusters are more likely to ...

- Have a lower formal education level
- Have lower household incomes
- Registered to vote as a Republican
- Live in a rural area
- Be younger in age

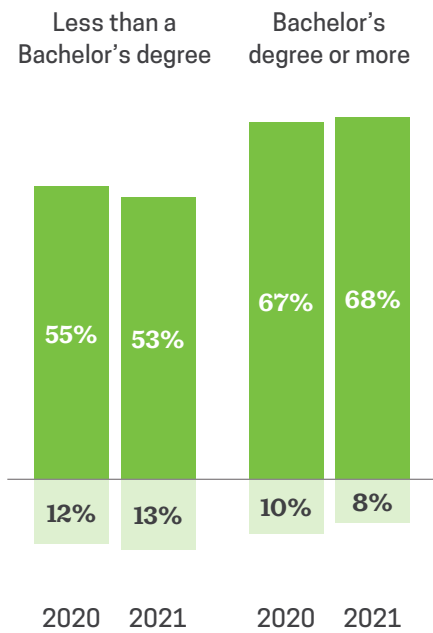


Trusters defined as: selected Top 3 Box Trust in Nonprofit Organizations  
 Distrusters defined as: selected Bottom 4 Box in Nonprofit Organizations  
 Neutral Trusters defined as the middle 2 Boxes are not included

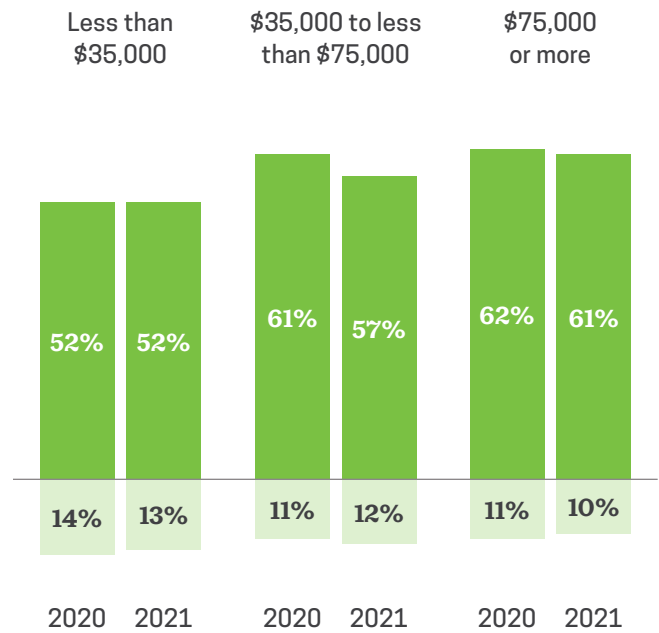
## College-educated and upper-income Americans report higher than average trust in the nonprofit sector

■ High trust ■ Low trust

### Education



### Household income



Net trust score = High trust - Low trust



● Higher trust than total audience  
(47 in 2020, 45 in 2021)

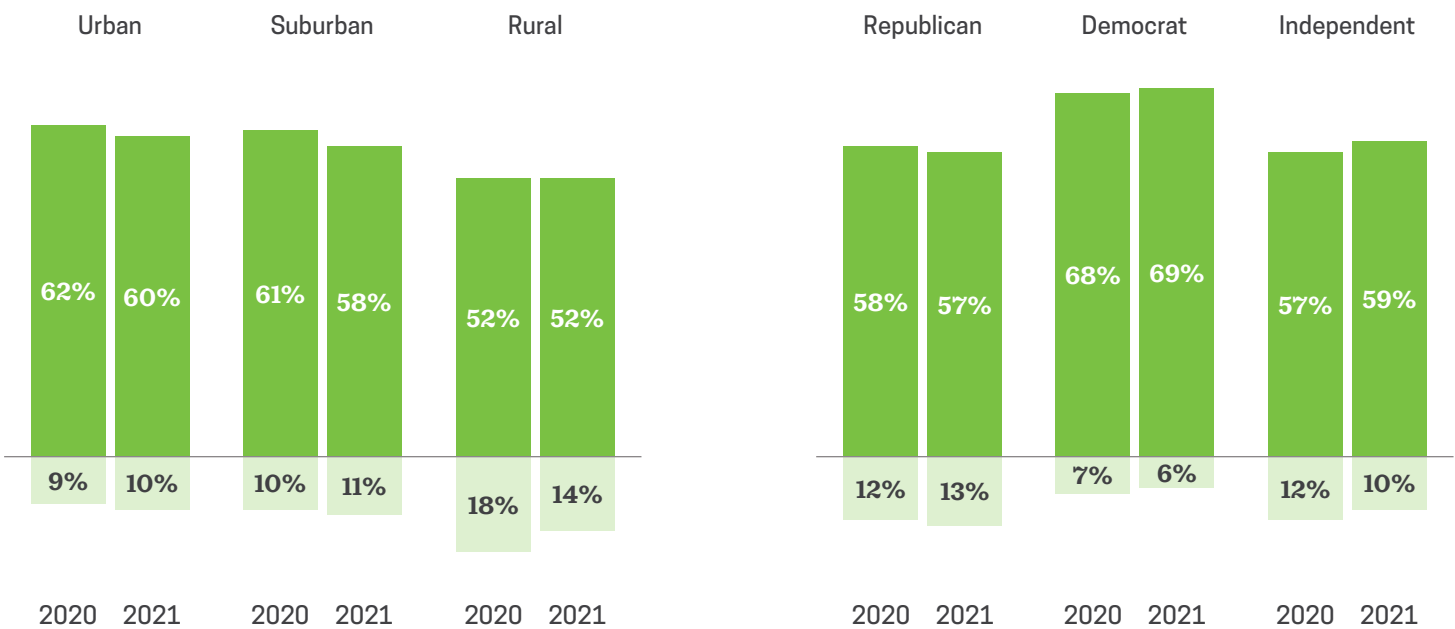
● Lower trust than total audience  
(47 in 2020, 45 in 2021)

## Democrats and urban Americans have higher trust in nonprofits, while Republicans and rural Americans report lower scores

■ High trust ■ Low trust

### Urbanicity

### Political affiliation



Net trust score = High trust - Low trust



● Higher trust than total audience  
(47 in 2020, 45 in 2021)

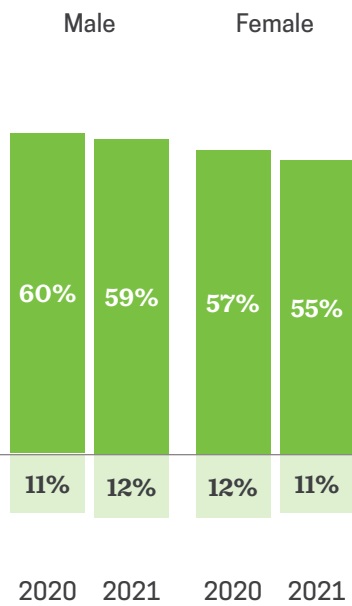
● Lower trust than total audience  
(47 in 2020, 45 in 2021)



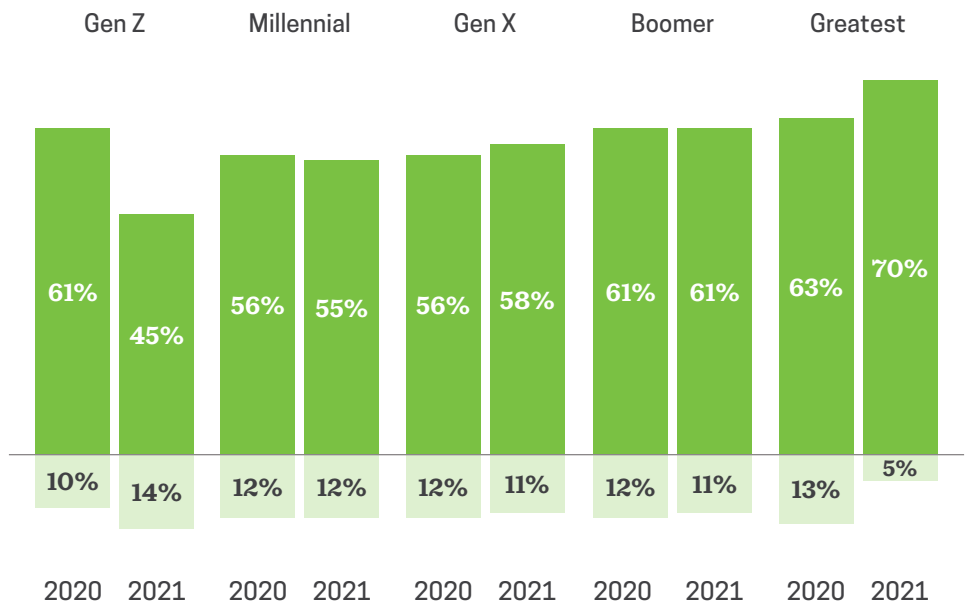
## Older Americans report higher than average trust in the nonprofit sector

■ High trust ■ Low trust

Gender



Generation



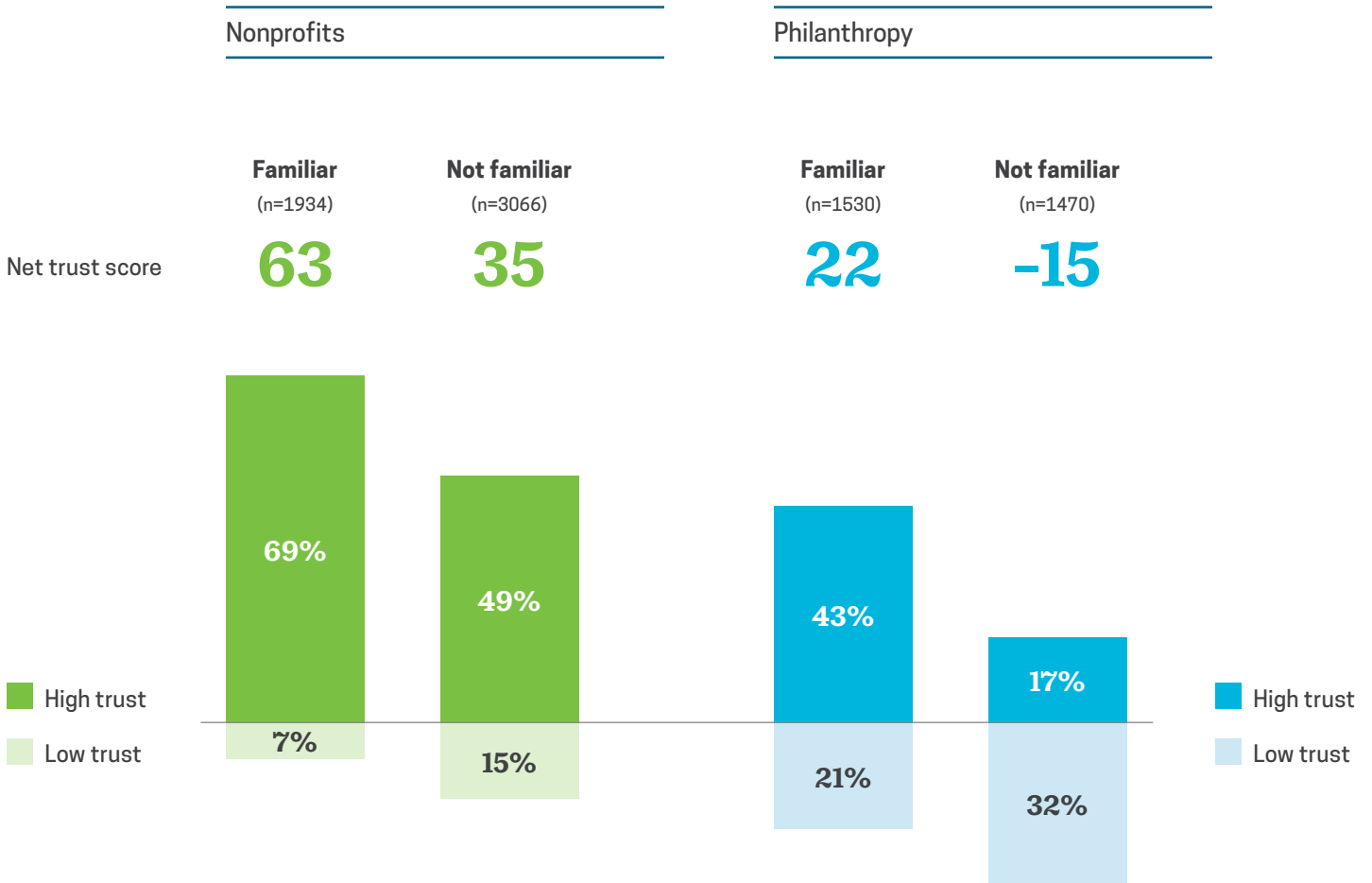
Net trust score = High trust - Low trust



● Higher trust than total audience  
(47 in 2020, 45 in 2021)

● Lower trust than total audience  
(47 in 2020, 45 in 2021)

## Americans who are familiar with nonprofits and philanthropy report substantially higher trust than those who are not



Q24A/Q30/Q30.2/Q52: How familiar are you with [health and human services nonprofits, arts, culture and humanities nonprofits, youth development, private K-12 schools, environmental] nonprofits generally speaking? Q25/Q31/Q53: How much do you [health and human services nonprofits, arts, culture and humanities nonprofits, youth development, private K-12 schools, environmental] trust to do what is right? Arts, culture and humanities nonprofits, generally speaking? Q5a. Prior to the COVID-19 pandemic, about how often did members of your household do each of the following actions relating to nonprofit organizations? Q38. How much do you trust places of worship to do what is right?

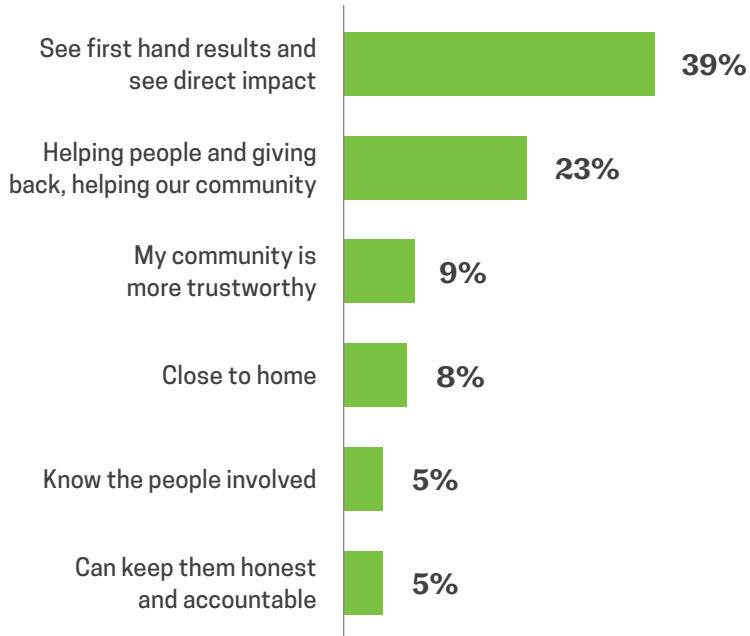
## Americans are more likely to trust nonprofits that are present in their local community because they can see the direct impact of the organization’s actions

**67%**

of Americans are more likely to trust nonprofits that have a presence in their local community

### Reasons local nonprofits are more trusted

Shown: Top 5 Coded Open-end responses



“

Because I am more likely to be familiar with them. And I am also more likely to be able to see or have knowledge of the results of their work first-hand.”

“

Because you can see where your money is going, and you can actually see the impact on those you are helping.”

Q22: To what extent do each of the following traits impact your trust in a given nonprofit organization?

Q23A: You mentioned in the previous question that you are more likely to trust nonprofits that have a presence in your local community. Why are you more likely to trust these organizations? Base Size n=5,000

**More than half of Americans say they regularly received some type of service from a nonprofit organization before the pandemic – and among those, more than 4 in 10 reported their interactions improved their views of the sector at large**

Services regularly received from nonprofits prior to the pandemic

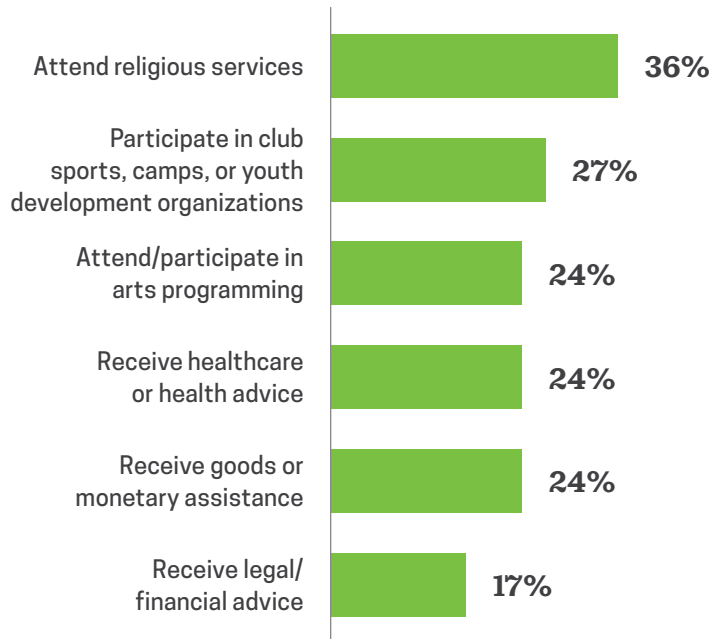
Shown: Percent selected response, Top 2 Box: 'Sometimes/Often'

**57%**

of Americans report sometimes or often **receiving at least one type of service** (broadly defined) from a nonprofit prior to the pandemic

**42%**

of Americans who received services from a nonprofit reported their interactions with the organization **improved their impression of nonprofits generally**



Q5A. Prior to the COVID-19 pandemic, about how often did members of your household do each of the following actions relating to nonprofit organizations? Q5B. You mentioned in the previous question that you did the following before the COVID-19 pandemic...How have your interactions with that organization impacted your views of nonprofit organizations generally?

Base Size n=5,000

**Civic engagement – donating money or items, volunteering time, and voting – is also correlated with higher trust in the nonprofit sector**





# Building Trust

Uncovering the levers of trust capital

Past research shows that trust capital is composed of four dimensions that identify strengths and weaknesses to be leveraged or addressed to unlock full trust potential

## Ability

**Good at what they do**

Has the skills, expertise, competencies and resources to have influence

## Integrity

**Is honest**

Adheres to a set of principles, transparent and credible

## Dependability

**Keeps its promises**

Consistent and reliable, delivers on the commitments it makes

## Purpose

**Tries hard to have a positive impact on society**

Wants to do good, is loyal, caring, and non-opportunistic

## Performance on the Four Dimensions holds largely steady for nonprofits compared to 2020; philanthropy sees significant drops in three of four dimensions

Performance across the four dimensions

Shown: Top 2 Box 'Agree'



**Statistical modeling shows the Purpose and Integrity dimensions contribute most to trust in both sectors; Ability and Dependability are secondary contributors**

The four dimensions, ranked by modeled contribution to trust

	Nonprofits	Philanthropy
<p><b>Purpose</b> Positive impact on society</p>	1st	1st
<p><b>Integrity</b> Is honest</p>	2nd	2nd
<p><b>Ability</b> Good at what they do</p>	3rd	4th
<p><b>Dependability</b> Keeps its promises</p>	4th	3rd

**Methodology explanation: What is Structural Equation Modeling (SEM)?**

Trust is a dynamic, multi-faceted phenomena. To capture the complexity in decision-making about factors that impact trust, structural equation modeling (SEM) is used to statistically examine the direct and indirect relationships between drivers of trust, dimensions of trust, and overall trust. The results of this mathematical model allows us more comprehensive insights into what drivers have the greatest total effect on trust in nonprofits.



## Statistical analysis reveals Purpose-related drivers, such as having a clear mission and engaging the underserved, boost trust in nonprofits and philanthropy the most

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### Top trust drivers

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Shown: Contribution to Trust ranked by Modeled Effect

Public figure endorsements are also critical, as are government and business partnerships for Philanthropy. Endorsements from trusted figures likely transfer that trust to the endorsee, and partnerships may operate in a similar way lending credibility to the unfamiliar.

### Nonprofits

1. Having/expressing a clear mission
2. Endorsements from public figures
3. Demonstrates benefit to the community
4. Engages underserved communities
5. Demonstrates how support leads to results

### Philanthropy

1. Endorsements from public figures
2. Partnerships with government
3. Partnerships with business
4. Having/expressing clear values
5. Engages underserved communities



Q22: To what extent do each of the following traits impact your trust in a given Nonprofit organization? Base Size n=5,000

Q29: To what extent do each of the following traits impact your trust in a given [company that engages in corporate philanthropy, private foundation, high net worth individual engaged in philanthropy]? Base Size n=3,000

# Key Questions for the Nonprofit and Philanthropic Sector

Findings from this report highlight key learnings, but they also raise important questions for nonprofits and philanthropy about next steps. Included below are questions prompted by 2021 findings for the sector and individual nonprofits to consider in order to determine the steps needed to maintain and increase trust across all types of nonprofit institutions.

**1. Explore why trust bubble burst:** In both the first and second annual trust report, findings show that people seeing nonprofits at work in their local community are associated with higher levels of trust. Receipt of nonprofit services also is correlated with higher trust. In 2020, nonprofits stepped up to meet exponentially higher levels of need. They provided direct services to more Americans and visibly demonstrated their local impact. So why did the trust bubble burst and return to pre-pandemic levels in less than a year? Do broader environmental factors, like respondents' perceived satisfaction with their quality of life, influence their responses about trust in institutions, including nonprofits?

**2. Gain clarity on trust disparities across groups:** When looking at those who trust nonprofits the least, to what extent do they share something in common that contributes to their lack of trust? For example, does a persistent income or higher education gap in the U.S. play a major role in distrust in institutions, including nonprofits? What additional data is needed to clarify continued low levels of trust among rural and low-income households, or the declining trust among Gen Z?

**3. Leverage "Force for Good" as sector asset:** What innovative tactics can nonprofits and philanthropy collectively deploy to leverage the public's confidence in the sector as a force for good? Despite slight declines in levels of trust in 2021, the public still sees nonprofits as working to improve their communities, a key driver of trust in individual nonprofits. The sector has an opportunity to consider innovative new ways to build upon public confidence in our good work to improve overall trust.

**4. Invest in civic action to build trust:** Because support for nonprofits (like giving, volunteering, and advocacy) is at least partially contingent on trust, what practical resources can we provide to practitioners to improve trust in their organizations and increase public support of their missions? Conversely, because civically active people report more trust in nonprofits, how may the sector effectively organize to create systems to better support giving, volunteering, advocacy, and voting across all members of our community?

**5. Promote frequent public engagement:** The frequency in which people engage with specific nonprofits has a direct, positive relationship with their level of trust. What aspect of engagement by nonprofits, like religious and arts organizations, impact people's trust? Do people connect most with frequent engagement, the opportunity to participate in programming, or some other element of the regular engagement provided by these types of organizations? For nonprofits that do not provide frequent direct services to the public as a part of their mission, what other forms of regular public engagement are available to them to build trust?

**6. Scale trust drivers for sector:** This collaborative research between Independent Sector and Edelman Data & Intelligence holds the potential to uncover factors not yet accounted for that impact America's trust in the sector. It also may help us weight the short- and long-term impact of existing levers to preserve public trust. Currently, the research identifies potential drivers to increase trust in individual organizations. Future research and dialogue in the sector is necessary to determine how specific drivers apply to the nonprofit sector.



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