Public Opinion and Accountability in the Charitable Sector

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Highlights

- Public opinion of the charitable sector appears to be based on a limited understanding of charities.
- Although people appear to have a positive attitude to charitable organizations, there may also be an undercurrent of discontent.
- The public appears to be particularly concerned about fundraising practices.
- Central accountability concerns appear to be efficiency and effectiveness.
- Accountability concerns may explain donor preferences for local organizations.
Recent research suggests that the public may have concerns about the accountability of charitable organizations, especially as regards their effectiveness and efficiency. Such concerns mirror those voiced recently by the Panel on Accountability and Governance in the Voluntary Sector. In this Bulletin we briefly review some of the recommendations of the Panel and show how these recommendations appear to parallel the public’s views about charitable organizations.

The research that we present was commissioned by the Centre and its Imagine program and conducted by the Angus Reid Group. Thirty-eight triads (groups of three) were interviewed in February of 1997 and six additional focus groups were conducted in June of 1997. The results of these interviews provide us with an indication of the range and types of opinions that Canadians hold about charitable organizations.

**What Does the Public Know About Charitable Organizations?**

The public’s perceptions about charitable organizations are based, in part, upon their understanding of what these organizations are and what they do. Our research suggests that the public knows very little about the "charitable sector." Participants in our interviews had difficulty both defining the sector and describing its finer details. For example, universities and hospitals were not generally considered charitable organizations. Although most participants concluded that these two types of institutions could technically be classified as charities, this did not fit their personal views of what constitutes a charity.

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Our research revealed that the public may not be aware of the broad range of services provided by the charitable sector. We asked participants in our study to describe what the work of charities. Two types of responses predominated. People said that charities provide community and social services such as: goods and services to people in need; material help for unfortunate families; disaster relief; medicine, food, clothing, shelter; and visiting the sick and elderly. They also said that charities conduct or support medical research.

**Public Attitudes about Charitable Organizations**

Many participants had positive perceptions about charities in general and affirmed that they play a very important role in society. They generally felt that charities fill a gap in meeting needs not covered by governments. They also mentioned the sector’s role in undertaking medical research. On the whole, participants felt that charities are an essential part of Canadian society.

In our interviews, people initially expressed positive opinions about charities in general and appeared to trust those organizations with which they have a relationship. However, with further discussion, it became apparent that there was an undercurrent of discontent and mistrust of charities overall and that this was more acute in the case
of charities that people did not know.

Top of Mind Perceptions

We began some of our interviews by asking participants a general question that was designed to probe "top of mind" perceptions of charities ¾ "What animal comes to mind when you think about charitable organizations?" The answers revealed both positive and somewhat negative impressions of charitable organizations. For example:

- "Teddy Bear ¾ comforting and cuddly."
- "Cat ¾ always asking for something without giving much back."
- "Squirrel ¾ one is cute, but hate them when you see too many."
- "Elephant ¾ big and strong, gentle but constantly needs to be fed."

The Public’s Accountability Issues

Responses to two questions revealed concerns about the accountability of charities. These issues tended to revolve around the need for information about how money is being used. In particular, people appear to want more information about the efficiency of charitable organizations (i.e., whether money is being wasted) and about their effectiveness (i.e., what is being accomplished with the money).

Accountability Concerns: In the Public’s Words

We asked participants "What could charities do that would increase your support?" Participants responded with statements such as:

- "Be more specific about where the money is going."
- "They should publish how much is received and how every dollar is spent."
- "Make it public."
- "There should be independent audits."
- "Show accountability. for example. open their books to the"
Participants were also asked, "If you could change one thing about your favourite charity, what would it be?" Examples of their answers:

• "I would like to have a clearer idea about where the money goes and what research gains they have made."
• "Specify... what progress is being made with the money received."
• "Give more money to what is needed and less on ads."
• "Give the public more knowledge about local organizations."
• "Less overhead."

Where do the Public’s Attitudes Come From?

Participants’ perceptions and attitudes may reflect the channels through which they obtain information about charitable organizations. The public’s main sources of information, in order of importance, appear to be charitable solicitations, the media, and personal contacts with charities. Of these three channels, only the latter may be effective in generating positive attitudes. As we have noted, people who have a relationship with charitable organizations tend to evaluate them positively.

However, people are more likely to receive information about charitable organizations through fundraising solicitations than through personal contacts. Although people are usually provided with information about a particular organization when they are solicited for funds, the organization’s need for money and the request for money are usually the central focus of such communications. If the most prevalent form of communication with the public is via requests for money, it is not surprising that many of the public’s concerns about charities revolve around how that money is being used.

The apparent public concern about how charities are using their financial resources may also be attributable to the type of coverage that the news media often give to charitable organizations. Media coverage of charitable organizations often focuses on allegations..."
about the misuse or mismanagement of funds. Stories about how well donor’s funds are managed and how effective organizations seldom seem to appear. People appear to know very little about charitable organizations and, as a result, may rely on these media stories to inform their opinions.

The Panel on Accountability and Governance in the Voluntary Sector

As we noted at the outset, many of the public’s concerns about charitable organizations were recently mirrored in the report issued by the Panel (commissioned by the Voluntary Sector Roundtable) in May entitled "Helping Canadians Help Canadians: Improving Governance and Accountability in the Voluntary Sector." The Panel, chaired by Ed Broadbent, argues that charitable organizations need to enhance their accountability in a number of areas, including:

1. Improving the **transparency** of charitable sector organizations by informing, reporting, responding to requests for information and operating an organization in a manner that can be easily observed and understood, and;
2. Improving the **assessment of program outcomes**. Whether through direct outcome measurement or social auditing processes, the Panel believes that outcome measurement is necessary to understand how effective an organization is in accomplishing its goals.

As our research shows, at least some members of the public share these concerns.

**Conclusion**

The similarities between public opinion and the recommendations of the Panel point to the importance of accountability for both those within and outside the charitable sector. People’s sources of information about charities may influence their opinions and in some cases their confidence that a charity will use the donations to the best of their ability. Our research suggests that charities may find it valuable both to examine how they communicate with the public, and how to better inform them about the efficient use of the money raised and the effectiveness of charitable programs.

**References**