Study on the Dilemmas and Breakthrough Paths of Public Trust Construction in Social Organizations

Haoyu Yao

Lingnan University, Hong Kong 999077, China

Abstract: Nonprofit organizations serve as vital forces in social governance, with their credibility directly impacting the mobilization of social resources and public participation in affairs. Currently, these organizations face challenges such as irregular internal governance, insufficient external oversight, lack of transparency, and public opinion pressures, leading to fragile public trust. This paper examines the primary manifestations of this trust deficit, analyzes deficiencies in governance structures, financial transparency, oversight systems, and public discourse management, and proposes optimization pathways including strengthening governance, improving oversight mechanisms, and deepening communication. The research aims to provide theoretical references and practical guidance for rebuilding trust in public welfare organizations, promoting collaborative governance, and advancing the modernization of social governance.

***Keywords*:** nonprofit organizations; public trust; governance structure; oversight mechanisms

1. Introduction

Public trust is the basis for donations to and volunteer mobilization for nonprofit organizations and social governance participation. Some organizations have recently suffered trust loss because of governance issues, financial transparency problems, deficiencies in regulations, and public relations incidents. This not only dampens enthusiasm for social governance participation but also hinders fair and efficient public service provision. Research should analyze these problems comprehensively from a trust perspective, identify deficiencies in governance and oversight, and propose corresponding countermeasures. This will advance standardized, transparent, and professional public welfare organization operations and provide theoretical and policy support for accumulating social capital and establishing sound social governance[1].

2. The Importance of Public Trust for Social Organizations

Public trust is vital for the survival and development of nonprofit organizations; it is a prerequisite for obtaining social resources, encouraging public participation, and fulfilling charitable goals. Regarding this, trust is decisive for the level of social donations and volunteer services and cooperative resources that these organizations receive, and it also affects the degree of discourse power they exert in public affairs—organizations with higher levels of trust are more likely to obtain stable support networks, stronger social mobilization effects, and higher crisis handling efficiencies, and they can thus play a more important role in disaster relief, social assistance, community governance, and other fields. In contrast, a lack of trust will weaken the willingness to participate and make it difficult to implement public welfare projects; it may also trigger wider social skepticism toward the field. Studying public trust in nonprofit organizations can reveal the factors influencing levels of social participation and governance performance. This research offers theoretical basis and implementation guidance for improving governance structure, transparency, and collaborative governance models, which can promote the healthy and sustainable development of public welfare fields[2].

3. Challenges in Building Public Trust for Social Organizations

3.1 Trust Crises Resulting from Non-Compliant Internal Governance

Some public welfare organizations lack institutions, poor implementation, boards directors and supervisors in name only; concentration of power, lack of transparency in decision-making process; conflicts of interest and waste of resources; lax financial management, delay in publication of accounts; even embezzlement of funds which reduces willingness of the public to donate; lack of professional management personnel, leaders act on a whim in implementing projects, service quality cannot be guaranteed; organization lacks cohesion, no shared visions and normative constraints; volunteer often turn over, project implementation is disrupted; poor personnel management and incentive mechanism, low staff motivation, service quality decreases; chaos in governance increased negative incidents, public pressure accumulated localized incidents into

trust crisis of the whole system; accumulated flaws in the long-term decreases organization's reputation and collaborative opportunities, public trust further fragile[3].

3.2 Trust Dilemmas Arising from Insufficient External Oversight and Information Asymmetry

The external oversight system for public welfare organizations is still very weak. Due to the constrains of human and financial resources, the registration authority and the supposed supervisors are unable to carry out regular and intensive supervision. Some organizations are unwilling to release information. The flow of funds, performance assessment and social performance are insufficient in transparency. The channels for the public to access information are still very limited and the public information gap is great. This leads to the weakening of public judgment and the shaking of trust foundation.Oversight gaps and information opacity hamper timely recognition and correction of problems. The public opinion is based on the aggregation of spots. When emotions are triggered by spots, the society will erupt in distrust due to negative incidents. Without authoritative assessment and scientific evaluation, the organizations are unable to show their worth and fall into the dilemma of “doing much but not seen”. This leads to the weakening of the confidence of donors and partners and hampers the injection of funds and material resources, which further aggravates the crisis of trust.

4. Strategies for Enhancing Public Trust in Social Organizations

4.1 Strengthening Governance Structures and Enhancing Transparency and Professionalism

IInternal governance structures, including the board of directors and supervisory board, should be refined to clarify authority and responsibility for decision-making, execution, and oversight, reducing power concentrations. This suggests the need for professional management systems and transparent financial management and audit mechanisms, ensuring traceable fund flows. Regular disclosure of bylaws, decision-making processes, and financial reports should be prioritized to enhance public traceability throughout project lifecycles. Strengthening performance evaluations and incentives will encourage higher-quality service delivery. Leveraging information technology to display project data, fund utilization, and service feedback will further drive transparency. Prioritizing the recruitment and training of specialized talent is essential for enhancing project design, public communication, and risk management. Engaging external experts and third-party evaluations will bolster professional credibility. Additionally, strengthening organizational culture by fostering shared values and norms will improve member accountability and identification. Through optimizing systems, personnel, and culture, efficient operations can be standardized, rebuilding public trust.

4.2 Strengthen External Oversight and Improve Public Accountability

What seems necessary within this broader framework for enhanced oversight is the creation of a diversified supervision system, where governments, industry associations, media, and the public cooperate, forming a synergistic regulatory force. This indicates the need to establish a complete registration regulatory process using big data and digital tools for full-process, round-the-clock monitoring. Regular performance evaluations should be conducted, with results published annually. A unified release of results from authoritative platforms removes the information blockade, facilitating public access to organizational performance. These efforts aim to improve accountability through a full-link responsibility chain for fund usage and project implementation. Establishing a closed-loop mechanism for supervision, investigation, and corrective actions is also crucial, alongside independent audits and public evaluations. The development of an independent institution to regularly release transparency and credibility indices is indicated. These findings suggest that such measures motivate organizations to improve and apply pressure for progress. The enhanced oversight framework promotes social recognition, especially with fairly presented results. This competitive environment rewards good performers and pressures poor performers to improve or face reduced operational scope, fostering healthy competition in public welfare institutions. This evidence supports improving industry credibility and social influence within evolving parameters, as it fosters a more transparent and accountable environment. By encouraging competition and holding organizations to higher standards, it creates incentives for continuous improvement. These efforts contribute to strengthening public trust, enhancing the reputation of institutions, and ensuring that they remain responsive to societal needs. Ultimately, this can lead to more robust and sustainable development in the industry, benefiting both organizations and the public they serve.

5. Conclusions

Rebuilding public trust in nonprofit organizations requires coordinated efforts across multiple dimensions: internal governance, external oversight, and communication development. By improving board and financial audit systems, enhancing transparency and performance evaluation, promoting government-society collaborative oversight mechanisms, and

strengthening third-party assessments and accountability frameworks, organizations can elevate their regulatory compliance and societal recognition. Establishing multi-channel communication platforms and crisis response plans helps guide public discourse, demonstrate social value, and cultivate trust through sustained engagement. Research indicates that trust serves not only as the foundation for the healthy development of public welfare organizations but also as a vital driving force in modern social governance.

References

[1] Yang, R., & Li, Q. (2020). From dependency to cooperation: The evolution and countermeasures of trust relationship between social organizations and government. Social Work, (2), 9-14.

[2] Xu, Y. (2021). Measures to solve the trust dilemma of social organizations' participation in public governance: A case study of Butterfly Mama Social Work Service Center in Suzhou. Society and Public Welfare, 12(4), 30-34.

[3] Gao, J., Gu, X., & Wu, Y. (2021). Game analysis of social organizations' participation in collaborative social governance from the perspective of trust. Decision Consulting, (2), 81-85, 87.

Author Bio

Haoyu Yao (2000-7), male, Bai nationality, living in Kunming, Yunnan Province, graduate student. Research interests: Public administration.