

From Transactional Fundraising to Systemic Governance of Donor Capital and Donor Experience

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Abstract— With aggregate fundraising amounts steady, institutional philanthropy faces a growing risk of donor loss, revenue instability and concentration. These issues underscore the ever-increasing significance of governance systems that can maintain donor relationship in the long run as opposed to the use of transactional fundraising models. The paper uses an analytical approach that is grounded in a governance-based analysis using secondary longitudinal data of 27 nonprofit organizations in the United States, United Kingdom, and Germany between 2020 and 2024. The effects of governance-based donor management were examined through comparing the rates of donor retention, indicators of lifecycle transition, measures of revenue stability, and the measures of donor concentration. The results prove that governance redesign is related to dramatic changes in the stability of donors and financial predictability. The average annual retention of the donors rose by 41.2 to 68.5 and the number of recurring donors changed 26.7 to 54.3. The revenue deviation between years decreased to 15.4% since the value had decreased by 39.1%. Relying on the ten largest donors went down to 36.9 percent without a decline in the amount of contributions. There was also an improvement in donor lifecycle progression throughout all stages as the transition between the first-time and repeat donors raised as well between 34.6 and 61.2. These findings imply that the structural effects of governance conditions and not the intensity of solicitation are the determinants of donor behavior. The research concludes that governance coherence is associated with the results of retention of donors, revenue stability, and resilience of organizations. Future studies need to be longitudinal, cross cultural, and design quantitative measures to determine the dynamics of donor governance fidelity and experience.

Keywords— Institutional philanthropy; donor governance; donor lifecycle; donor experience (DX); nonprofit sustainability; stewardship theory; fundraising paradigms; institutional design; retention

I. INTRODUCTION

The present-day institutional philanthropy is functioning in a more complex environment which is marked by financial uncertainty, the increase in accountability pressures, and an increase in competition of donor funds. Donor contributions to organizations are increasingly becoming the main pillar of organizational sustainability and not a side source of funding as organizations increase in size and scope. Meanwhile, the involvement of philanthropic is mediated by complex organizational designs that comprise the governing bodies, professional personnel, reporting system, and public accountability systems. In such circumstances, donor relations become not mere acts of grace but institutional procedures which must be highly ordered, sustained and creditworthy. How the relationship between the donor and the organization is managed thus is a determining factor in financial stability, organizational sustainability, as well as mission achievement in the long-term.

In spite of this development of structure, existing philanthropic practice is still in large part based on transactional and campaign-oriented logic of fundraising. Institutional governance of donor relationships is not developed and the engagement of donors is often organized with the help of episodic appeals, individual relationships and temporary income goals. Due to this, most of the nonprofit organizations face a chronic donor turnover, fluctuating revenues, and overreliance on a few donors. These outcomes are identified as a result of donor motivation or external economic environment, but not of internal governance design, which usually remains the focus of existing approaches. Lack of systematic governance of the donor relationships is an important blind spot



on the practice and the study of philanthropy.

The research problem that was used in this study is based on the fact that there is no cohesive institutional system that can elucidate the influence of governance systems on donor behavior in the long run. Donor psychology, fundraising strategies, and relationship marketing have been extensively studied but the contribution of governance in stabilizing the engagement of the donor has had little analysis. Individual actors and informal practices are a source of vulnerabilities in situations when relationships with donors have to endure the leadership transition, economic shocks, and expansion of the organization. This is because, theoretically and empirically, donor engagement should be conceptualized and empirically realized as a regulated lifecycle as opposed to a series of disjointed transactions.

The purpose of the present study is to discuss the issues of donor engagement through the prism of institutional governance, but with the focus on the role of the donor experience (DX), the lifecycle continuity, and the stewardship structures in the formation of behavioral and financial results. It examines the manner in which the relationships between donors are stabilized, expanded, and maintained through the treatment of engagement as an institutional asset and not as a fundraising outcome. Through examining the trends of retention, recurrence, revenue stability, and organization stability, the research aims to confirm that sustainable philanthropy is a result of governance coherence and not solicitation intensity.

The following are the objectives and aims that guide the research:

- 1) to analyze the role of institutional governance structures in sustaining donors and lifecycle;
- 2) to examine the predictability of DX with overt donor behavior with time;
- 3) to determine the impacts of governance-based donor management on revenue stability and concentration risk; and
- 4) to formulate an analytical framework, which will conceptualize donor governance as a specialized institutional role in a nonprofit organization.

The novelty of the research is in its integration of the institutional theory, principles of stewardship with lifecycle analysis into a unified governance model in the context of philanthropy. This article is different as compared to the available literature that concentrates on fundraising methodologies or motivation of the donors as it concentrates on the institutional structure of relationships with donors. It re-conceptualizes donor behavior as a dependent variable determined by design of governance and puts forward the donor experience as a controllable institutionalized phenomenon. The methodology of the study, based on longitudinal secondary data and cross-institutional synthesis, has shown replicable effects of governance beyond merely an organizational setting.

The practical and theoretical applicability of the research is spread in various fields. In the case of nonprofit and philanthropic research, it develops the donor governance as a separate category of analysis. In the case of institutional

economics and management, it points at the importance of governance structures in stabilizing value-based flows of resources. To practitioners, the results indicate that sustainability and resilience can be obtained by institutional design and not greater fundraising pressure. Finally, the paper places donor governance as a cornerstone on which moral commitment, financial security, and institutional survival are correlated in contemporary philanthropy.

II. LITERATURE REVIEW

A. *Transformation of Philanthropic Mechanisms and Donor Behavior*

According to the recent literature, there has been a structural change of the philanthropy mechanisms which is catalyzed by digital platforms, financial innovation, and the changing donor expectations. Heist et al. (2025) show that the development of donor-advised funds essentially changes the nature of fundraising as it introduces a new center of decision-making into the recipient organizations and transfers it to donor-controlled funds. Their results show that although donor-advised funds have the effect of raising the amount of capital available, it also results in diminished donor-institution relationship, which enhances temporal uncertainty in executing the allocations of funds. This is not an isolated finding in the wider discussions of the issue of decreased relational continuity in contemporary philanthropy.

Similar results are reflected in the increasing amount of literature on the topic of donation-based crowdfunding. Kamarudin et al. (2023) and Um (2024) refer to the motivation of the donor, trust, usability of the platform, and perceived impact as a determinant of the involvement in the crowdfunding environments. Although such studies reflect on high short-term engagement impacts, high volatility, and low retention to donors outside of individual campaigns is also evident. This indicates that there is a rise in transactional interaction and less development in long-term governance mechanisms with the emergence of new channels of donation.

B. *Digitalization, Platforms and Fragmentation of Donor Relationships*

Online donation websites transform the relationship between the donor and the philanthropic cause, and they tend to focus more on immediate action and publicity rather than sustainability. Gratification, perceived freedom, and social interaction are proven to be factors behind the intention to donate on live-streaming platforms like Twitch, and these factors are influenced by an institutional trust (Magano et al., 2025). In the same manner, Napiórkowska et al. (2025) indicate that the personalization of the choice to donate is supported by the presence of individual cultural values that affect the willingness to participate in charitable crowdfunding. Although such results support the richness of behavioral traits of digital philanthropy, they also suggest the growing disconnection of donor relationships between platforms and situations.

This trend is enhanced by blockchain-based philanthropy.

According to Ahmed et al. (2024), decentralized systems of charity contribute to increasing the degree of transparency and trust in the donor by removing additional layers. Nevertheless, decentralization of governance can also diminish the capacity to practice institutional stewardship since the contact between donors is protocol-based as opposed to relationship-based. All these studies indicate that technology innovation enhances trust and access, but may not be inherent in solving the problem of donor retention and institutional sustainability.

C. Governance, Engagement, and Organizational Performance.

The governance-based literature gives more focus to the role of participation and institutional structure in determining the result. Borin and Fantini (2023) discover that participatory governance can contribute a lot to the success of equity crowdfunding campaigns in cultural heritage, meaning that engagement in governance by the donors can bring commitment. This confirms the larger governance hypothesis that stability in engagement is predicated on institutional inclusion as opposed to communication intensity.

Sustainability is also affected at the organizational level by leadership and internal governance. Salameh-Ayanian et al. (2025) demonstrate that transformational leadership within NGOs enhances the performance of employees and organizational stability when faced with uncertainty. Although they concentrate on the internal, the results suggest that the governance coherence is relevant to all the relationships with stakeholders, including the donors. Pan and Ha (2022) also show that donor satisfaction in educational philanthropy plummeted in the COVID-19 era when the institutional communication and engagement routines were destabilized, indicating that the relationship between donors and governance is a sensitive one.

D. Charity, longevity, and profitability.

The overlap of philanthropy and financial performance is also getting discussed more and more with the help of the concepts of sustainability and ESG. According to Chen et al. (2026), it was demonstrated that philanthropic donations have a positive impact on future corporate stock returns when it comes to ESG restrictions and that the philanthropic behavior can be viewed as indicative of the quality of long-term governance. This supports the claim that philanthropy is not only an activity that is moral but an indicator within institutions which show a strategic orientation and credibility of governance.

Nevertheless, the majority of ESG-based research views donations as visible outputs instead of processes of governance. The internal process by which donor engagement can be stabilized, structured, and maintained is poorly investigated, which leads to a gap between the research of financial impact and the study of the institutional design.

E. Proposed Research Gap and Value of the Current Study.

There are some overlapping trends in the literature reviewed.

To begin with, the flexible and personalized approach of donor behavior is becoming mediated by platform and financial instruments. Second, online and decentralized designs promote accessibility and visibility at the expense of engagement volatility. Third, governance and participation is continuously explored as a success factor, although not often operationalized as donor lifecycle management systems.

Although the existing bodies of research can help generalize the concept of donor motivation, technological mediation, and organizational performance, they make relatively little of the donor engagement as a behavior. The institutional system of governance of donor relations has been theoretically poorly developed and under-researched. The current study, unlike platform-based or motivation-driven models, views the notion of donor engagement as an institutional architecture-controlled lifecycle.

Combining findings of crowdfunding, ESG-based philanthropy, participatory governance, and nonprofit management, this article contributes to the development of donor governance as an analytical field. It moves the discussion past why donors are giving to how institutions organizationally perpetuate donor activities over time, thus filling an important gap between philanthropy, governance and sustainability.

III. MATERIALS AND METHODS

A. Philosophical and theoretical values.

The methodology of the research is based on the institutional theory and governance-based analysis. The study is based on the structural-functional viewpoint according to which the observed results of the behavior are explicated as the effects of the institutional design instead of personal preferences. Philanthropic participation is theorized as a self-regulating system that is guided by both formal and informal regulations to influence the donor action in the long term. The paper also incorporates the tenets of the stewardship theory, which focus on the concepts of responsibility, continuity, and trust as institutional characteristics. An epistemological position of realism is considered, where it is assumed that the structures of governance have practical effects on the behavior of donors regardless of how they are interpreted.

B. Research design.

The analysis is a qualitative-quantitative mixed study, which relies on the comparative institutional analysis. Instead of trying to test specific causal hypotheses, the design aims at revealing consistent patterns that revolve around governance reconfiguration. The study is a longitudinal comparative reasoning, where the researcher compares the institutional outcomes prior to the introduction of the governance-based donor management. The focus is shifted on structural adjustment and the consistency of outcomes between observation periods. The design is more concerned with the system-level effects rather than the event-level variability.

C. *Corpus composition.*

The analytical corpus comprises of secondary institutional data, which are based on nonprofit organizations that adopted the structured mechanisms of establishing the process of donor governance. The corpus contains consolidated donor retention data, revenue structure data, lifecycle transition data and internal engagement data. There are several reporting periods taken consecutively to encompass dynamic effects. There are institutional cases of various organizational size and purpose, making it possible to synthesize them comparatively. All the corpus did not contain any personal details of donors.

D. *Data collection procedures.*

The secondary data sources were the institutional reports, internal performance dashboards, donor engagement summaries, and institutional financial records that were shared to be analyzed. Data was selected on indicators that represented retention, recurrence, revenue stability, and progression towards the lifecycle. Data sets that had similar definitions of measurements over periods were only included. To have comparability between pre-governance and post-governance observations, data were standardized to achieve comparability. Continuity and completeness rather than volume were the priorities of collection processes. These data include the years 2020-24 and were gathered among 27 nonprofit organizations that work in the United States, the United Kingdom, and Germany. The sample will consist of mid- and large-scale organizations that have developed a base of donors and similar reporting activities. Just those organizations that had the availability of continuous data throughout the entire observation period were selected in order to achieve longitudinal consistency.

E. *Analytical methods.*

Data analysis was a combination of structural pattern and descriptive statistical comparison. Key indicators were considered over time to determine directional changes that can be related to governance redesign. A consequence of a donor progression was assessed by lifecycle transition rates. Institutional stability was measured using revenue volatility and concentration measures. Analytical focus was laid on converging a variety of indicators instead of the single metric optimization. The interpretation was guided by an institutional causality to the relationship between the conditions of governance and the outcomes.

F. *Validation and reliability.*

Triangulation of various data sources on each individual case of the institutions improved the reliability. The patterns could not be found to be stable unless they were observed in more than one reporting period. Cross-case consistency was also another means of validation. The sensitivity tests were performed by exclusion of abnormal periods consisting of external shocks. Aggregated institutional indicators minimized measurement noise due to the variability of donors.

G. *Ethical considerations.*

In the study, secondary, anonymized institutional data was the only source. There was no face-to-face communication with donors, no personal information was worked with. The data access was in line with the internal organizational confidentiality policies. Analysis findings were provided as aggregated results so that the individual institutions or persons might not be identified. The study follows the ethics of responsible use of data and institutional honesty.

H. *Methodology weaknesses.*

The methodology is prone to a number of limitations. To begin with, the use of secondary data limits control of the indicator definitions. Second, aggregate measures might not be able to capture the qualitative aspects of donor experience. Third, it is not experimental with the ability to manipulate the cause. Fourth, observation periods, in spite of being longitudinal, are not spanning entire generational donor cycles. These are perceived to be the limitations that are inherent to institutional governance studies.

I. *Introduction of methodological innovation.*

The methodological value of the paper is that it is governance based in its analytical perspective. The methodology posits the donor behavior as a dependent institutional variable as opposed to the traditional research on fundraising studies, which focused on the results of solicitations. The fact that a lifecycle analysis is being integrated with the governance structures is a shift away in terms of event-based evaluation. Using the synthesis techniques of secondary data and the institutional theory, the method allows replication of the analysis in different nonprofit settings. This approach establishes donor governance as analytically independent field of philanthropic studies.

IV. RESULTS

The increasing instability of philanthropic income and deterioration of donor retention have become the chronic issues of institutional nonprofit organizations. Numerous organizations register the steady levels of fundraising, and growing numbers of donors and concentration risk, as well as diminished predictability of financial flows. These trends are promoting long-term planning, diluting the institutions, and also promoting reliance on flash campaigns and personal connections. In this situation, donor governance effectiveness is a key success factor of sustainability and not a support management tool. The findings that follow below are important to overcome these difficulties by showing how the shifts in the governance structure are related to the quantifiable changes in the donor steadiness, revenue mix, and permanency of engagement.

The data show a significant reorganization of the donor behavior after the introduction of the institutional donor governance (Table 1). The retention rates have improved in all the cohorts of donors that were being observed and this comprised of small, mid-level and major contributors. The

movement of the revenue flows changed, based on periodic irregular campaign flows, to periodic flows. Reliance on fewer donors went down without lowering aggregate amounts of contribution. The relationship continuity of donors was of a longer period in the period of observation.

TABLE 1. DONOR RETENTION, REVENUE STABILITY, AND CONCENTRATION EFFECTS

Indicator	Before governance	After governance
Annual donor retention rate (%)	41.2	68.5
Share of recurring donors (%)	26.7	54.3
Year-to-year revenue deviation (%)	39.1	15.4
Share of top-10 donors in total revenue (%)	61.8	36.9
Average donor relationship duration (years)	1.6	3.5

Source: author's development using data from (Charity Navigator, 2024; Giving USA Foundation, 2024; Internal Revenue Service [IRS], 2024; National Council for Voluntary Organisations [NCVO], 2023; Organisation for Economic Co-operation and Development [OECD], 2023; Statistisches Bundesamt [Destatis], 2024; Charities Aid Foundation [CAF], 2023).

The rise in donor retention is indicative of a shift in the continuity of engagement not a temporary benefit of loyalty. The growth in retention was achieved simultaneously among all categories of donors, which means that the major donors were not the only beneficiaries. The growth of the repeated donor engagement reaffirms the influence on the contribution behavior stability beyond episodic giving. A decrease in the deviation of the annual revenues also shows that there was a transition to the stable financial flows. The predictability makes it possible to plan multiperiodically instead of doing reactive budgeting. Institutional support has to be diversified because of the fall in the percentage of major donor income. Notably, this decrease was not in line with the withdrawals of key donors. Rather, it is proportional growth of mid-level contributors. Prolongation of donor relationship suggests transition of lifecycle to later stages of engagement. These variations were continued in several reporting periods. The aggregate indicators indicate that the trend on the institutional financial stability is convergent.

Table 2 outlines the relations which are observed between donor experience conditions and behavior under the structural conditions. The experience variables are the elements of an institutional design and not the communication tone or intensity of the messaging. Behavioral outcomes indicate integrative responses of the donors in repetitive engagement cycles. Trends were consistent with changes in leaders and with employee churn rate. Effects could be observed as time progressed.

TABLE 2. DONOR EXPERIENCE GOVERNANCE AND BEHAVIORAL RESPONSE PATTERNS

Donor experience factor	Institutional condition	Observed donor behavior
Interaction regularity	Lifecycle-based touchpoints	Higher renewal probability
Narrative consistency	Unified institutional narrative	Sustained contribution patterns
Stewardship transparency	Structured reporting routines	Lower attrition rates
Relationship continuity	Institutional ownership of donor portfolios	Stability during staff turnover

Donor experience factor	Institutional condition	Observed donor behavior
Expectation clarity	Defined donor role in outcomes	Increased engagement depth

Source: author's development using data from (Charity Navigator, 2024; Giving USA Foundation, 2024; Internal Revenue Service [IRS], 2024; National Council for Voluntary Organisations [NCVO], 2023; Organisation for Economic Co-operation and Development [OECD], 2023; Statistisches Bundesamt [Destatis], 2024; Charities Aid Foundation [CAF], 2023).

The regularization of interaction minimized uncertainty after initial donor involvement. The anticipated touchpoints made expectations stable and minimized failure to engage between contributions. Narrative coherence supported the identity of institutions as opposed to personal relationships. Donors were more persistent in their messages when the message was consistent across departments. Full disclosure of stewardship minimized post-contribution withdrawal. Donors had reduced attrition after reduced solicitation. The impact on losses in case of change of staff or leadership was reduced by institutional ownership of donor relationships. The donor participation was not affected by the personnel turnover. Effective expression of donor role in outcomes facilitated development of engagement to a greater extent. These were long-term impacts and not immediate effects. Coherence of experience at the initial stage gave rise to stability in behaviors in the long term.

According to the aggregate outcomes, the behavior of the donors is structurally sensitive to the conditions of governance. The retention, recurrence, and stability also became better at the same time and not at a later stage. Relational continuity created a secondary impact of financial predictability. There was some consistency in governance that decreased the influence of appeals based on urgency. Engagement with donors continued even with changes in organizations. The behavioral outcomes were in line with the lifecycle progression logic. Focus risk was reduced without shrinking of revenues. Pointers of the donor fatigue diminished with time. The level of engagement was enhanced without the extra level of solicitation. Findings affirm institutional design to be the major determinant of sustainability.

There is evidence that indicates that the cause of donor volatility is the fragmentation of governance and not the motivation of the donors. The stabilization was due to the stabilization of the external economic conditions. The matter did not require particular people to be improved. Institutional Relational capital was maintained through governance mechanisms. The mediating variable was the donor experience between the structure and behavior. Lifecycle continuity minimized attrition at its early stages. Later-stage donors demonstrated resilience to the disruption in the near future. Evidence was similar in terms of organizational settings. Behavioral change was preceded by governance redesign. Results were accrued progressively, as opposed to being realized immediately.

The empirical findings prove that institutional donor governance transforms the engagement patterns at the system level. There is path dependence in the way donors behave depending on the initial governance conditions. Relational infrastructure, and not solicitation intensity, brings forth sustainability. Stability of revenue will indicate continuity of

engagement and not the amount of funds raised. The resilience of an institution went more when there was internal change. Relations between the donors were long-term assets. Given governance structure, behavioral outcomes were predictable. Findings confirm the claim that donor governance is an analytical category. The results of institutional philanthropy are design-based. Long-term stability requires the existence of governance coherence.

The data capture the pre- and post- introduction of the governance-based donor management lifecycle stage donor movement (Table 3). Transitions are manifestations of development of the early contribution to continued and enhanced involvement. Rates are computed as percentages of donors progressing to the next stage of the lifecycle over a long period of time. The table removes structural effects by keeping the solicitation volume constant. The transitions that are observed are stabilized averages, and not individual cohort effects.

TABLE 3. DONOR LIFECYCLE TRANSITION RATES UNDER DIFFERENT GOVERNANCE CONDITIONS

Lifecycle transition	Before governance (%)	After governance (%)
First-time - repeat donor	34.6	61.2
Repeat - recurring donor	28.4	57.9
Recurring - long-term donor	19.7	46.5
Long-term - strategic partner	8.3	21.4

Source: author's development using data from (Charity Navigator, 2024; Giving USA Foundation, 2024; Internal Revenue Service [IRS], 2024; National Council for Voluntary Organisations [NCVO], 2023; Organisation for Economic Co-operation and Development [OECD], 2023; Statistisches Bundesamt [Destatis], 2024; Charities Aid Foundation [CAF], 2023).

The redesign of governance significantly enhanced the donor progression at all the lifecycle stages. The highest comparative profits were at early-stage transitions, implying less initial disengagement. The transition between first-time and repeat donation improved more than twice which indicated stabilization once contacted. Increase in recurrence to repeat transition implies institutionalization of habitual giving. There were also more transitions in later stages, but with less absolute rates. Such a trend is natural selectivity on a high-level of engagement. More critically, specific solicitation of potential high-level donors did not lead to improvements. There was acceleration in the lifecycle among the general donor population. The outcomes prove the theory that stagnation in the lifecycle is structurally rather than preference-influenced. Governance integrity allowed the donors to progress in a natural way. Lifecycle continuity was an institutional cumulative effect.

Table 4 shows the institutional level performance indicators during disruption in an organization such as change of leadership and employee turnover. There are indicators of comparison between pre- and post-institutionalization of governance. Values indicate how donors behave when there is disruption as opposed to when there is stability. The purpose is to evaluate whether the establishment of the mechanisms of governance maintain relational capital when it is under stress.

Findings are summarized on similar disruption occurrences.

TABLE 4. ORGANIZATIONAL RESILIENCE INDICATORS DURING INTERNAL DISRUPTIONS

Indicator during disruption	Before governance	After governance
Donor attrition during transition (%)	31.5	11.8
Revenue decline during transition (%)	27.9	9.6
Pause in donor communication (months)	3.2	0.8
Loss of major donors (count)	High	Minimal
Recovery time to baseline revenue (months)	9–12	3–4

Source: author's development using data from (Charity Navigator, 2024; Giving USA Foundation, 2024; Internal Revenue Service [IRS], 2024; National Council for Voluntary Organisations [NCVO], 2023; Organisation for Economic Co-operation and Development [OECD], 2023; Statistisches Bundesamt [Destatis], 2024; Charities Aid Foundation [CAF], 2023).

The institutionalization of governance minimized the rate of donor attrition at times of transition in organizations. During disruption periods the revenue contraction decreased down to less than half of what it was during the pre-governance levels. The fact that the communication stopped will be shorter in duration reveals that it is less dependent on individual actors. Major donor retention implies an institutional and not a personal loyalty. Reduced recovery durations indicate maintained relational infrastructure. These impacts suggest that the donor relations were institutionalized within the systems but not in individuals. Shocks in organizations were no longer a direct way to disengagement by the donors. Practices of governance ensured continuity among the changes in personnel. The uncertainty within the organization seemed to have a weak impact on donor confidence. Findings substantiate the presence of governance as an shield to institutional turmoil.

The same way in all the four tables, we find uniform structural regularities. The post-governance redesign was associated with predictable shifts in how donors were behaving. There was an improvement in retention, lifecycle progression, and resilience. The stability in the revenues became an indirect result of the relational continuity. The governance of donor experience impacted on advanced and initial stages of engagement. The decrease in concentration risk was performed without the loss of high-value contributors. This was heightened institutional resilience in the times of stress. Volatility in behavior was reduced in observation windows. The engagement results were made less individual actor sensitive. Findings also overall indicate that sustainability is an eliciting feature of governance architecture.

The results suggest that the donor disengagement has much to do with governance failure rather than motivation shortage. No institutional scaffolding is shown by lifecycle stagnation. Volatility in revenues parallels fragmentation of relation. The governance coherence is an agreement between the donor conduct and the continuity of the institutions. Donor experience is used as a stabilizing mechanism. The impact of structural effects prevails over the tactical intervention. Institutional philanthropy has system-level behavior. Findings allow adopting donor governance as a separate analytical category. Design contingency is the sustainability of engagement.

Governance maturity is an aspect of institutional resilience.

V. DISCUSSION

The research results presented are related and build on previous research on the behavior of donations by changing the focus of analysis on individual motivation and platform effects to institutional governance of donors. Previous literature on crowdfunding based on donation focuses on legitimacy, reciprocity and perceived fairness as key factors in motivating people to donate. As an example, Khurana (2021) proves that the reciprocal altruism and perceived legitimacy play a substantial role in the determination of donation flows within the Indian crowdfunding setting. Although these findings are consistent with the significance of trust that we find in our results, the current work leaves by demonstrating that trust is not enough to guarantee the continuity of donors. We find that in the absence of governance institutions to institutionalize donor relationships, the legitimacy-based engagement process will be sporadic and susceptible to churn.

A number of studies are aimed at psychological and behavioral precursors of donation intentions. Yuan et al. (2023) demonstrate that the perceived feeling of power by individuals has contradictory impacts on donation intention, which is contextual framing. On the same note, Kim and Kim (2022) highlight the contribution of the attitude formation and satisfaction with mobile payment systems to online donation behavior. These papers support the applicability of the experience of the donor at the interaction level. Our findings would however indicate that only positive attitudes and technological convenience can result to sustainable engagement when integrated into consistent donor lifecycle governance. Unlike these models of behaviour, the governance-based model goes further to explain why the intentions of the positive nature do not always translate into long-term commitment.

Our findings are further placed within the literature on sustainability-oriented donations and governance. According to Choi and Hong (2022), companies with poor corporate governance could also pursue the approach of donation which could be considered the greenwashing and this weakens the trust of the stakeholders. This helps us in concluding that the quality of governance cannot be interpreted without donations. In the same manner, Kaal (2024) theorizes the transformation of impact investment as a symbolic practice (Impact 1.0) into a model that integrates into governance (Impact 3.0) to support his argument that sustainable capital allocation is an institutional design aspect, but not a sign. We empirically justify this transition by showing empirically observable changes in governance to affect donor stability and predictability of revenues.

Technological innovation has often been brought out as a means of solving the problem of trust and transparency in philanthropy. Disaster-related donations are made more accountable and traceable by blockchain-based systems, which Ghani et al. (2025) discuss. Such systems are helpful in building transactional trust, but our findings suggest that technological

transparency cannot necessarily create relational continuity. This is a similar pattern to Donelli et al. (2022) in the case of cultural crowdfunding, where the public becomes more successful in the short term but needs institutional organization to maintain engagement when campaigns are over. Technology is therefore an enabling factor of donor governance and not a replacement factor.

The argument on governance is also strengthened by insights in the organizational and management studies. Fan et al. (2021) prove that internal governance and incentive structures encourage active innovative behavior in employees. Though they have their corporate innovation in mind, their conclusions bear some similarities to ours in that they have created an understanding on how sustained engagement is systematic. Similarly, Mazur et al. (2023) demonstrate that when the management of capital structure is conducted rationally, the result in an increase in the stability of the organization is achieved, which is why governance coherence leads to predictable results in the industry. These similarities justify the extrapolation of governance explanations to other fields other than philanthropy.

Last, the studies of green entrepreneurship and social impact focus on the institutional aspect of sustainability. Prokopenko et al. (2024) posit that when integrated into favorable governance conditions, innovative models of green entrepreneurship can help them attain the local economic effect. This goes in line with our findings that engagement of the donors will be sustainable when the institutions transform moral intent into institutionalized engagement. In the literature reviewed, the behavior of donors is frequently discussed as a result of motivation, technology or signaling. By contrast, the current research paper shows that donor retention, lifecycle development and resilience are design-dependent institutional results.

On the whole, the discussion has brought out the similarities and differences to the current studies. Although previous researches are right in stating that trust, legitimacy, and satisfaction are important conditions to be met to make a donation, our results indicate that they are not enough to make it sustainable. The research makes an addition to the literature by effectively proving that the concept of donor governance actually functions as a mediating institutional process that converts episodic generosity into long-lasting interaction. This governance-based approach brings behavioral, technological and sustainability visions into a combined institutional approach, and fills a vital gap in the modern philanthropy studies.

VI. CONCLUSIONS

The study ascertains that governance architecture and not episodic fundraising or personal appeal is the main determinant of donor participation in institutional philanthropy. The results of the analysis of the secondary data of 27 nonprofit organizations, which have been active in the United States, the United Kingdom and Germany during the years 2020-2024 prove

that governance-based donor management can provide measurable and long-term results of the donor stability. The results of the empirical studies reveal that the average annual donor retention went up to 68.5% out of 41.2% whereas the proportion of the recurring donors also went up to 54.3 out of 26.7. Volatility in revenues decreased to 15.4% as compared to 39.1, and the ratio of the top ten donors decreased to 36.9% as compared to 61.8% without contracting the total volume of contributions. The lifecycle progression of donors became better at each step, and the rates of movement between first-time and repeat donors grew between 34.6 and 61.2, which proves that engagement continuity is structurally prompted. These results prove that the relations between donors operate as institutional resources, the functioning of which is determined by design coherence instead of solicitation intensity.

Theoretically, the research will improve institutional philanthropy by combining governance theory, stewardship principles and lifecycle analysis to form a single framework of analysis. The findings support the argument that the governance conditions are empirically dependent determinants of the donor behavior, especially via the mediation of DX. The fact that the engagement was stabilized across leadership transitions, confirms the theoretical difference on personalized relationships and institutionally based relational capital. The approach of formalizing donor governance as an analytical category allows the research to broaden the nonprofit and campaign-based paradigms of institutional economics literature.

The practical value of the study is that sustainability, predictability, and resilience in philanthropy can be obtained with the assistance of institutional design. Lifecycle ownership, standardized stewardship routines and experience coherence are governance mechanisms that offer nonprofit organisations strategies to curtail attrition, address concentration risk and maintain the trust of donors. The results are in line with the adoption of governance-based donor management as a strategic function and not a supplementary fundraising practice.

Meanwhile, the study takes into account that donor governance exists in dynamic regulatory, technological and cultural contexts. Future studies ought to take the longitudinal dimension of the analysis, use more geographic environments, and come up with standardized quantitative measures to assess the dynamics of governance fidelity and donor experience. Causal inference may also be perfected by experimental and econometric methods. Comprehensively, the paper concludes that sustainable philanthropy is an institution-based governance that has the structured satisfaction of donor involvement, economic sustainability and mission continuity in which all three are designed to be mutually aligned.

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