Abstract

Objectives - This research seeks to determine whether the Morgan and Hunt (1994) commitment-trust theory can be applied to the not-for-profit sector as it had been suggested by MacMillan et al. (2005). The latter authors suggested that it was applicable in the not for profit, and this study’s purpose to enhance the knowledge on the matter and enforce the theory.

Method - The questionnaires were distributed through personal approach to 33 respondents from 20 companies. These respondents were senior level management staff of those companies. The data gathered was analysed using linear regression with the help of SPSS 19.0 as the statistical tool.

Results - Out of eight hypotheses, four were rejected and the other four were accepted. The results facilitate the comprehension of the factors that determine the level of commitment and trust of funders in maintaining relationship with the not-for-profit organisations. The results found that commitment only is affected by how much values that are shared between companies and the not-for-profit organisations (NPO), while trust is only affected by the quality of communication that is conducted by NPOs.

Conclusion – The research demonstrates how much importance of shared values towards the level of commitment and how important is the quality of communication towards the level of trust that is put funders towards NPOs. This conclusion suggests NPOs to develop better relationship marketing based on the shared values and by improving the quality of communication.

Keyword – Not-for-profit organisations, Funders, Donations, Relationship Marketing, Commitment and Trust.