

**THE IMPACT OF STRATEGIC PLANNING IMPLEMENTATION ON NON-
PROFIT ORGANIZATION'S PERFORMANCE EFFECTIVENESS**

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Abstract

Strategic planning is important for non-profit organization to make sure they have been achieved their missions and take necessary actions to achieve it. And they could achieve greater benefits if they applying strategic planning which outweigh the cost involved in the implementation process. But the relationship between strategic planning and organizational performance has been rarely examined in the public and non-profit sectors, especially in Indonesia. This study empirically examines the effect of strategic planning on one of Indonesian non-profit organization's performance effectiveness. The performance effectiveness assess by using the multiple perspective of Balanced Scorecard (BSC). Niven (2008) developed the BSC for non-profit organization which has added the fifth perspective, volunteers' development. We argue that the strategic planning can help to guide the implementation process to achieve organization's performance effectiveness. A purposive sample of 30 managers and project leaders was selected for participated in this study to measure the impact of strategic planning on this organization's performance effectiveness. All data will be analyzed through quantitative method. We believe that the result of this study will contribute to strategic management area of research and practices on how to measure the strategic planning implementation on the organization's performance effectiveness by using balanced scorecard, especially in non-profit sector in Indonesia.



Keywords: *strategic planning, mission achievement, performance effectiveness, non-profit organizations, the balanced scorecard (BSC)*

JEL Classification: L25

INTRODUCTION

The non profit organizations are required to respond to the great challenges of urging change in the dynamic environmental forces that could threaten their survival. It would be useful to understand if these forces are hindering movement towards strategic planning. These forces include budget control, lack of staff, size of the organization and range of operations, changing customers' expectations, government policy changes, comparability, stronger competition with other existing as well as emerging non governments, competition for international donors', accountability imposed by multiple stakeholders groups including public administrators, legislators, and citizens, staff and volunteers, and continuous government failure to satisfy public needs which increase the public demand for the services offered by these organizations (Eisenberg, 2004). A number of challenges have surfaced in recent years, however, that have complicated the strategic management process. Some of those challenges include the impact of globalization, electronic commerce, diversification of the workforce, the learning organization, rapid technological advances, governmental regulations, and increasing competitive forces in the environment (Wheelan and Hunger, 2008).

Strategic planning is important to non profit organization to assess how far they have been achieved their missions and take necessary actions to achieve it (Franklin, 2011). And they could achieve greater benefits if they applying strategic planning which outweigh the cost involved in the implementation process. Non governmental organizations/nonprofit organizations are required to apply a formal strategic planning process and using balanced scorecard to measure the performances effectiveness that guided by their missions and vision statement. The stakeholders demand increased accountability and overall organizational performance indicators, therefore, that balanced systematic way to promote better organizational performance and assess the performance is becoming increasingly important.



The relationship between strategic planning and organizational performance has been rarely examined in the public and nonprofit sector (Stone and Brush, 1996; Stone, Bigelow, and Crittenden, 1999). Also, most of the research has been confined to examining the nonprofit sector in the western society and very little has been conducted in nonprofits in developing countries like Indonesia. Kriemadis and Theakou (2007) and Robinson (1992) recommended that future research efforts should investigate the impact of strategic planning on organizations' operational and financial outcomes.

In this study, I will focus on a non-profit organization that is working in the field of nature conservation. This organization started working in Indonesia as a Program Office of their International organization in the early 1960's, under the auspices of the Ministry of Forestry. At this early stage main activities were surveys and research on mammal species, especially the endangered rhinoceros and tigers on the islands of Java and Sumatra. The results of research later led to the efforts of conserving the forest habitat of which these species depend on. Ujung Kulon National Park on the western tip of Java was the first this organization's field site in Indonesia. In the 1970s, the number of projects and areas covered under the program office grew significantly.

This nonprofit organization started many terrestrial conservation initiatives in Sumatra, Borneo, Sulawesi, and Papua. In the first half of 1980s, they had a program in collaboration with the government developed a strategy for marine conservation. Implementation of a Marine conservation program started in the early 1990s. This organization obtained legal entity in Indonesia and was registered as a foundation, or *yayasan*, in 1996. With the new legal status, and National Office status from their International Board, this nonprofit established its own Board of Trustees, and secured much more flexibility in fund raising and program development.

In April 1998, they transformed becoming legalised as an Indonesian organization with foundation status. With this change, they became a National Organization within their Global Network, which consists of 27 National Organizations, 6 Associate Organizations, and 22 Program Offices around the world. Until 2004, they has assisted the Government of Indonesia in the establishment of forest conservation areas.. In the development of Management Plans for these areas, they promoted the role of local communities in natural



resource management and encouraged legal recognition of customary rights over access and use of natural resources in protected areas that are important for communities' livelihoods.

They has also facilitated and supported the development of sustainable economic alternatives for local communities. Currently, this organization is continuing efforts in support of capacity building for better management in most of these conservation areas. Today, they work in 25 sites, spread throughout 17 provinces in Indonesia.

Therefore, I am interested in doing a study to empirically examine the effect of strategic planning on the performance effectiveness of this nonprofit organization as recommended by Robinson (1992). An assessment of the effectiveness of performance will be created using multiple performance measurement perspective offered by the balanced scorecard. Balanced scorecard, which originally consisted of four perspective lists, will be modified to include a fifth perspective which is volunteers' development. This tool is modified to be used to assess the impact of strategic planning on the performance of the non-profit organization that is reflected by the accomplishment of the mission in an Indonesian nonprofit organization.

LITERATURE REVIEW

Strategic planning allows nonprofit organizations to better understand their external environment then formulate strategic plans for effective performance (Moxley, 2004). He argued that nonprofit organizations use mission-based strategic planning to communicate their purpose to various stakeholders groups. This improves their legitimacy and secures stakeholder's support which is important for mission achievement. The nonprofit organizations have a wide range of strategic planning models and approaches which can be used to achieved their performance (Franklin, 2011). These models serve as a chart in guiding the strategic planning processes thus, they offer clarity, save workload, and focus organization's attention on important strategic planning practices (Trainer, 2004).

The model which developed by Rhoes and Keogan 2005) links strategy implementation to human resource management and organizational structure since they are all interrelated. This model is constructed by five main components; mission, strategy content, external environment, organization's structure and Human Resources approach, and



process. This framework provides a widespread base to estimate strategic planning practices in NGO's (Blackmon, 2008). It is considered all-inclusive because it spans the conventional aspects of strategic planning processes to cover the implementation stage, which is generally the concern of the broader strategic management ground. The model also enables organizations which are using it to assess their performance with the multiple perspectives of the BSC which are mostly enclosed by the model. Finally it has been empirically examined before in the study efforts of Blackmon (2008) and Franklin (2011) which gives it more reliability to be duplicated in different research contexts.

Environments

Nonprofit organizations' external environment is composed of government regulatory bodies, private organizations, other nonprofits, citizens, donors, and beneficiaries (Barman, 2002). As majority of nonprofit organizations are based on donors' funds, Stone, Bigelow, and Crittenden, 1999 argued that external funders have a greater influence on nonprofits' strategic management efforts. Nonprofit organizations' internal environment is composed of organization's capacity, management, leadership, and internal networkings. This might create dilemmas in managing the internal environment which becomes somehow complex (Blackmon, 2008).

The environment is a factor that greatly contributes to the conditions because it will determine what strategy to be executed (Covin and Covan, 1990, Miller and Friesen, 1982), is determined by environmental forces. According to Pearce and Robinson (1997) formulation of a strategy guide the executive to set organization's policy to achieve the ultimate goal and the necessary actions to achieve the ultimate goal. Formulation of effective and efficient strategy is the formulation that combines future-oriented perspective to the external business environment and internal environment of the organization.

Mission

Developing mission statements in nonprofit organizations is an integral part of their strategic plan efforts and should be considered as the core of the balanced scorecard assessment process (Blackmon, 2008). The mission has to be aligned with the organizations'



goals and objectives to facilitate the implementation of strategic plans. It can either impose restrictions or provide opportunities for the organization depending on its chosen strategic direction (Brown and Iverson, 2004). However, in all cases, missions have a long lasting effect on nonprofit strategic planning practices (Rhodes and Keogan, 2005).

Human Resources Management and Structure

Several authors advocated the strategic view of human resources management and that it has to be incorporated into nonprofit's overall strategic planning efforts so that it can further be utilized as a strategic rather than traditional support function to promote for greater competitive advantage (Cakar, Bititci, and MacBryde, 2003; Macpherson, 2001).

The researcher agrees with authors' contention about the strategic role of human resources management and how it can be an integral part of organization's strategic planning efforts. Accordingly, the payoffs of managing human capital strategically have to be measured in terms of employees' continuous learning and growth potential which is one of the key performance measurement indicators presented by the balanced scorecard. This is what the proposed research attempts to examine.

Strategic Plan Implementation

Effective strategic planning is not a guarantee to successful strategic management efforts in either for profit or nonprofit organizations. The implementation stage carries the greater weight in making strategic management efforts successful. Implementation is interrelated with the other components of the strategic planning model developed by Rhodes and Keogan (2005). These components include human resources management, organization's structure, operational plans, and monitoring. Thus, implementation is a critical component of organization's strategic planning model as a tool to promulgate for better strategic management practices in nonprofits.

Non Profit Organization

Franklin (2011) noted that nonprofit organizations need to function at the highest level of operational efficiency and performance effectiveness because they are using public



and donors' funds. Nicolae advocated that nonprofits need to use strategic planning due to their exclusive reliance on public and donors' funds. Consequently, they can utilize strategic planning to retain public credibility by being accountable to donating bodies who want to make sure that their money is best channeled through nonprofit activities for some good reasons (Franklin, 2011).

Hassan (2010) mentioned that among the determinants of nonprofits' success is the relevance of services provided to social needs, which is a sole assessment of customers (this resembles the customer perspective of the balanced scorecard). He mentioned also that the effectiveness of these organizations is based on well known performance benchmarks (this represents the financial perspective of the balanced scorecard) and the application of strong governance mechanisms. Thus, effectiveness of nonprofit organizations should be evaluated using a multi-dimensional approach like the balanced scorecard.

The Balanced Scorecard for Non Profit Organization

Since many nonprofit organizations are primarily mission-driven and the balanced scorecard is centered on achieving mission (as the goal) while linking together organization's strategy (as the core), internal business processes, employees' learning and growth, customer processes, financial processes, and volunteers' development (as proposed), it is becoming a significantly important strategic exercise for these organizations. Niven (2008) declared that achieving nonprofit organizations' missions will not occur in one day. He suggested that the multiple perspectives of the balanced scorecard should be considered in assessing organizational effectiveness. Because, information feedback gained from these perspectives helps organizations to make necessary adjustments leading to mission achievement. The balanced scorecard measures nonprofit organization's performance by collecting data from the five perspectives which it presents. This measurement process portrays causal relationships between the impacts of strategic planning on organization's performance in a more accountable fashion (Kaplan and Norton, 2000).

The balanced scorecard was adapted for application to nonprofit organizations whereby the mission becomes the focal point as it provides a clear direction to the organization (Niven, 2003). Niven (2008) argued that the balanced scorecard in nonprofit



organizations centers on strategy (i.e., strategic plans) as its core with the intention to achieve mission as the ultimate goal. He asserted that the balanced scorecard is important for nonprofit organizations due to its ability to provide feedback regarding organizational progress towards achieving its mission as guided by the concrete strategy(s) on hand.

The customer perspective comes after the mission directly. In public and nonprofit organizations, the customer perspective gains a greater weigh because their satisfaction justifies mission achievement (Niven, 2008). He argued that nonprofit organizations have a diverse customer base including donors who provide organizations with funds, beneficiaries who receive services without normally paying for them and the general public (Kaplan and Norton, 2001). Thus, the customer perspective of the balanced scorecard has to incorporate performance effectiveness as perceived by various customer segments. Based on assessment information gained from the customer perspective, the organization can easily identify critical performance measures in the other four perspectives (internal business processes, employees' learning and growth, financial processes, and volunteers' development).

Kaplan and Norton (1992) also argued that monitoring customer processes through the balanced scorecard helps nonprofits collect information about customers' perceived value, service quality, delivery time and costs, and customers' satisfaction. Thus, they will be able to align their strategic plans to the achievement of higher customer intimacy, superior service quality perception, and operational Excellency.

The financial perspective of the balanced scorecard is imperative for nonprofit organizations because it captures information about how efficiently they are using scarce resources and public/donor funds to offer quality services. Information obtained from this perspective improves organizational accountability towards the public and enhances its fund raising potential. Consequently, makes mission achievement much imminent (Niven, 2008).

The internal business process perspective captures measures regarding organizational operations and processes necessary to meet customers' expectations and increase their satisfaction (Kaplan and Norton, 2000; Niven, 2008). In other words, internal business processes are more about value chain management. Revising and improving internal business processes is dependent upon performance measures identified by the customer processes



perspective of the balanced scorecard. Thus, this perspective can pursue diverse objectives which all aim at improving customers' value perception (Niven, 2008).

The success of nonprofit organizations depends on the depository of skills and competencies implicitly held by its staff which represents its human capital. Therefore, there is an obligation on nonprofit organizations to continuously improve employees' learning and growth potential, manage information sharing, and provide an adequate organizational climate conducive to improving overall organization's performance as represented by mission achievement (Niven, 2008).

Employees' learning and growth captures information about human capital and information technology needed to achieve competitive advantage (Kaplan and Norton, 2000). This dimension is mainly concerned with evaluating the skills, knowledge, and competencies held by organizational human capital and finding out ways to continuously improve them.

Due to increased professionalism pressures in human resources management in nonprofit organizations, they are called upon to apply extensive internal controls and sophisticated volunteers' training and development techniques (Stirling, Kilpatrick, and Orpin, 2011). Therefore, a new dimension is introduced to the balanced scorecard which is Volunteers' Development.



Figure 1. Balanced Scorecard for NGO

Source: Niven (2008) Blackmon (2008)

METHODOLOGY

Research design

Kombo and Tromp (2006) stated that research design is a paramount strategy which is used in carrying out the research. The study was conducted using a descriptive and inferential design. This study was carried out through use of descriptive study. A descriptive study is suitable design for answering the research questions because it was particularly useful for studying educational innovations, evaluating strategies and in forming policies (Flyvberg, 2006). Descriptive study in depth rather than breadth and placed more emphasis on the full analysis of a limited number of events or conditions and other interrelations.

Research Model and Hypotheses

Based on the literature review and the results of previous studies, we compiled framework to determine the impact of strategic planning implementation on non-profit organization's performance effectiveness with skeleton models as follows.



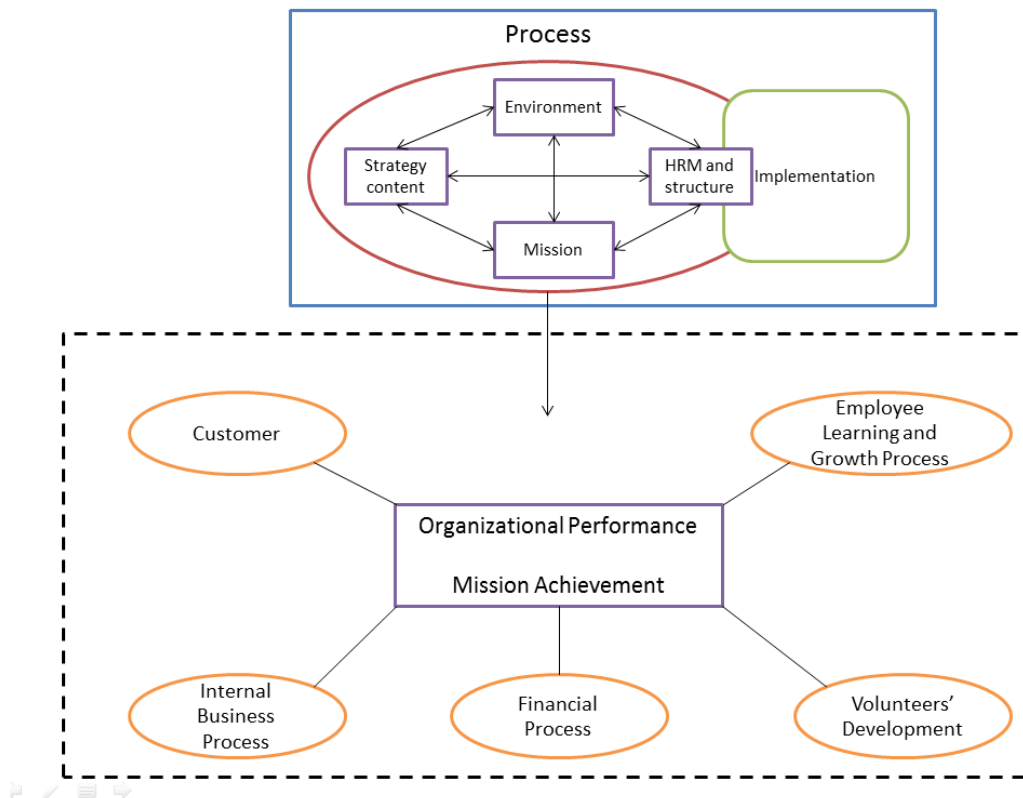


Figure 2. Research Model

As we seen in the picture above, we can formulate the research hypotheses as follows:

- H1.** There is a positive relationship between strategic planning and organizational performance in non-profit organizations as measured by the Balanced Scorecard protocol.
- H2.** There is a positive relationship between strategic planning, mission achievement and organizational performance in non-profit organizations as measured by the Balanced Scorecard protocol.
- H3.** There is a positive relationship between strategic planning, mission achievement, customer processes, and organizational performance in non-profit organizations as measured by the Balanced Scorecard protocol.
- H4.** There is a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, and organizational performance in non-profit organizations as measured by the Balanced Scorecard protocol.

H5. There is a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, employee growth and learning processes, and organizational performance in non-profit organizations as measured by the Balanced Scorecard protocol.

H6. There is a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, organizational growth, and learning processes, financial processes, and organizational performance in non-profit organization as measured by the Balanced Scorecard protocol.

H7. There is a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, organizational growth, and learning processes, financial processes, volunteers' development and organizational performance in non-profit organizations as measured by the Balanced Scorecard protocol.

Population and Sampling Design

Neuman (2000) defines a research population as the specific pool of cases, individuals or group(s) of individuals which the researcher wishes to investigate. The target population for the research was the management of this Non profit organization. Meanwhile sampling design is the process of selecting the unit of analysis of a population that is interesting to learn that by studying samples, researchers will be able to generalize the results of this study refers to selected population (William M.K., 2006). Sampling design refers to the work plan that provides details about the framework of the population, the sample size and sample selection procedures to make explicit population characteristics (Cooper & Schindler, 2005). According to Roscoe (1975) (in Sekaran, 1999) sample size of more than 30 and less than 100 according to most research. And the sample size used in this study were as many as 30 respondents who are the management of this non profit organization.

Table 1. Sample Design

Sample Category	Sample Size	Percentage
Top Management	10	33.3%
Middle Management	20	66.7%
Total	30	100%



RESULTS

Simple and multiple linear regression analysis were used to test research hypotheses. General organizational performance was the dependent variable as measured by the six domains of the BSC performance effectiveness scale. These domains are mission achievement, customer processes, internal business processes, employee learning and growth, financial processes, and volunteers' development. The organizational change scale captured information about these six domains to cross validate data obtained in earlier sections of the questionnaire. Multiple regression analysis was used to test research hypothesis using data collected from entirely completed questionnaires.

Research Hypothesis 1

Regression analysis was performed to test hypothesis 1. The R² indicates how well the data fits the model (Norusis, 2008). The R² for this model was .592 and the observed significance level for the F statistic was .000 which is less than the alpha of .05 for a 95% confidence interval. Thus, the null hypothesis can be rejected and research hypothesis 1 is supported. The beta coefficient for strategic planning was positive and high .803 and about 59% of the variations in organizational overall performance are explained as a result of using strategic planning activities.

Research Hypothesis 2

In order to test hypothesis 2, regression analysis was conducted. The R² for research hypothesis 2 was .752 and the observed level of significance for the F statistic was .000 which is significant at alpha of .05 with a 95% confidence interval. Thus, the null hypothesis can be rejected and research hypothesis 2 is supported. Therefore, there is a positive relationship between strategic planning, mission achievement, and general organizational performance change. Also, approximately 75% of the variation in general organizational performance change can be explained by strategic planning activities and mission achievement. Mission achievement alone contributes to explaining about 8% of organizational performance change over strategic planning activities.



Research Hypotheses 3

In order to test hypothesis 3, regression analysis was performed. The R² for research hypothesis 3 was .802 and the observed level of significance for the F statistic was .001 which is significant at alpha of .05 with a 95% confidence interval. Thus, the null hypothesis can be rejected and research hypothesis 3 is supported. However, approximately 80% of the variation in general organizational performance change can be explained by strategic planning activities, mission achievement, and customer processes. Customer processes alone contribute to explaining about 5% of organizational performance change over strategic planning activities and mission achievement. Also, beta coefficient for customer process was negative which indicates a negative relationship between customer process and general organizational performance change in this organization.

Research Hypothesis 4

In order to test hypothesis 4, regression analysis was conducted. The R² for research hypothesis 4 was .817 and the observed level of significance for the F statistic was .118 which is greater than an alpha of .05 with a 95% confidence interval. Thus, the null hypothesis cannot be rejected and research hypothesis 4 is not supported. However, approximately 81.7% of the variation in general organizational performance change can be explained by strategic planning activities, mission achievement, and customer processes, and internal business processes. Internal business processes alone contribute to explaining about 1% of organizational performance change over strategic planning activities, mission achievement, and customer processes.

Research Hypothesis 5

In order to test hypothesis 5, regression analysis was conducted. The R² for research hypothesis 5 was .836 and the observed level of significance for the F statistic was .048 which is significant at alpha of .05 with a 95% confidence interval. Thus, the null hypothesis can be rejected and research hypothesis 5 is supported. However, approximately 84% of the variation in general organizational performance change can be explained by strategic planning activities, mission achievement, customer processes, internal business processes and



employees learning and growth. Employee learning and growth processes alone contribute to explaining about 1.6% of organizational performance change over strategic planning activities, mission achievement, customer processes, and internal business processes.

Research Hypothesis 6

In order to test hypothesis 6, regression analysis was conducted. The R² for research hypothesis 6 was .839 and the observed level of significance for the F statistic was .402 which is greater than an alpha of .05 with a 95% confidence interval. Thus, the null hypothesis cannot be rejected and research hypothesis 6 is not supported. However, approximately 84% of the variation in general organizational performance change can be explained by strategic planning activities, mission achievement, customer processes, internal business processes, employees learning and growth, and financial processes. Financial processes alone contribute to explaining about 0.2% of organizational performance change over strategic planning activities, mission achievement, customer processes, internal business processes, and employee learning and growth.

Research Hypothesis 7

In order to test hypothesis 7, regression analysis was conducted. The R² for research hypothesis 7 was .822 and the observed level of significance for the F statistic was .000 which is less than an alpha of .05 with a 95% confidence interval. Thus, the null hypothesis can be rejected and research hypothesis 7 is supported. Accordingly, 82% of the variation in general organizational performance change can be explained by strategic planning activities, mission achievement, customer processes, internal business processes, employees learning and growth, financial processes, and volunteers' development. Volunteers' development alone contributes to explaining about 0% of organizational performance change over strategic planning activities, mission achievement, customer processes, internal business processes, employee learning and growth, and financial processes.



CONCLUSIONS AND IMPLICATIONS

Conclusions

The results of the analysis support and reinforce the role of strategic planning on performance effectiveness of nonprofit organization's as theoretically hypothesized in the previous research efforts of (Al-Shammari and Hussein, 2007; Blackmon, 2008; Franklin, 2011; French, Kelly, and Harrison (2004); Giffords and Dina, 2004; Griggs, 2002) in some ways. Results also support the strategic planning model adopted for the current research which builds on five major components; strategy content, environments, mission, human resources management and organizational structure, and finally implementation with a process-view of strategic planning (Rhodes and Keogan, 2005). This conforms to the results obtained from the previous research efforts of both Blackmon (2008) and Franklin (2011). Results of data analysis for each research hypothesis did not however mostly conform to the results obtained in prior research efforts of (Al-Shammari and Hussein, 2007; Blackmon, 2008; Franklin, 2011; French, Kelly and Harrison (2004); Giffords and Dina 2004; Griggs, 2002). Only five out of seven hypotheses were supported based on the results of hypotheses testing presented earlier. Analysis has indicated a positive relationship between strategic planning and organizational performance effectiveness in the investigated nonprofit organization. The strategic planning model adopted for the current research builds on five major components; strategy content, environments, mission, human resources management and organizational structure, and finally implementation (Rhodes and Keogan, 2005).

A positive relationship between strategic planning, mission achievement, and general organizational change was found also as a result of hypothesis testing. This means that there is a statistically positive relationship between strategic planning and mission achievement in this organization. Therefore, this finding conforms to what Rhodes and Keogan (2005) have mentioned about the role of missions in nonprofit organization which has a long lasting effect on nonprofit strategic planning practices. Also, this confirms the fact that mission achievement is a primary indicator of performance effectiveness of nonprofits which are regarded as mission-driven organizations.



Results however, did not support the use of the BSC performance effectiveness scale as a tool for assessing performance effectiveness of this nonprofit organization. This is because two out of five domains of the BSC performance effectiveness scale did not statistically contribute to explain changes in performance effectiveness of the investigated nonprofit as a result of applying formal strategic planning processes. These domains were mainly internal business processes and financial processes. The new dimension of the BSC performance effectiveness scale which is volunteers' development did however; contribute to explaining the changes in this nonprofit performance effectiveness as a result of applying strategic planning protocols. This might be attributed to the fact that this nonprofit organization is run by volunteers who represent their real human capital power and thus, this dimension carried a higher weight in assessing their performance effectiveness as a result of applying formal strategic planning tools.

Research Implications and Limitations

This research contributes to the study of strategic management in public and nonprofit's in various ways. Following is a brief about research theoretical and practical implications.

Theoretical Implications

1. Contribute to the theoretical argument and previous knowledge concerned with the important role of strategic planning in the management of nonprofits organizations.
2. Enrich the extant body of knowledge with the current status of nonprofit strategic management practices especially in developing countries like Indonesia.
3. Contribute to the existing literature on performance measurement by modifying the balanced scorecard model to better reflect performance effectiveness of nonprofits as guided by the nature of their activities which depend extensively on volunteers' activism. Also, the modified model can be adapted and tested for further improvement in future research efforts.



Practical Implications

1. Communicate the important role of strategic management protocols on nonprofits' performance effectiveness as indicated by mission achievement and sustainable competitive advantage. Strategic planning can be used as a guide to strengthening and sustaining mission achievement in nonprofits.
2. Keep non-profits boards in Indonesia aware of the intense accountability demands and the importance of incorporating the balanced scorecard into their performance effectiveness evaluation efforts.
3. Introduce the modified balanced scorecard to public and nonprofit sector in Indonesia as a strategic performance effective measurement tool. The new tool would allow them to improve their performance as mandated by the demands of the government, clients, and general public.

Limitations of the research

1. Scope limitations due to the inability to distinguish the various models of strategic planning used by nonprofit strategic planners and the impact of each model on their performance effectiveness as measured by mission achievement. The study only examined the application of the strategic planning model measured by the survey instrument developed by Blackmon (2008).
2. Limiting the measurement of performance effectiveness to mission achievement. Other measures of performance effectiveness in the nonprofit sector can include sustainability, market leadership, input-output ratios, and other efficiency indicators.
3. This study was limited to analyzing the data generated through self reports of respondents which might carry a possibility for respondent's bias.
4. Limited Generalizability of research results to the wider nonprofit population in Indonesian nonprofit organizations due of the misrepresentativeness of the purposive sample included in the research and the scope of study is only for one nonprofit organization.



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