

Overcoming Challenges with Performance Improvement Initiatives in Non-Profit Organizations to Achieve Sustainability Entity

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Research aims: Elaborate on the operational challenges of non-profit organizations, and present performance optimization initiatives to achieve entity sustainability.

Design/Methodology/Approach: This research uses a qualitative approach with the Focus Group Discussion (FGD) technique. The subjects in this study were all leaders and staff in one of the non-profit foundations in Yogyakarta, from which 10 informants were selected as samples.

Research findings: This research successfully revealed that limited organizational capacity and technological infrastructure were serious challenges. This research also explains that capacity building and the application of solutive technology are strategic initiatives that can be chosen to optimize performance in fundraising efforts.

Theoretical contribution/Originality: This research aims to elaborate on various operational challenges of non-profit organizations and deliver performance optimization initiatives to achieve entity sustainability. On the academic side, this research will elaborate on a sustainable management perspective that can provide additional knowledge.

Practitioner/Policy implication: On the practical side, this research can provide various initiatives to maximize performance as a fundraising effort.

Research limitation/Implication: The novelty of this research lies in the research object, which is a non-profit organization that has long been established and supported by the Yogyakarta Palace. This novelty is interesting because whether the support of the superpower institution will make it easier for this non-profit entity to get sympathy and assistance from fund donors.

Keywords: Capacity Building; Challenges; Initiatives; Non-profit; Sustainability

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Introduction

Every entity management always faces various dynamics and challenges. Increased competition in the modern business environment has led to the development of a large number of business strategies (Sackey & Caesar, 2020). All these dynamics are necessary because every entity always grows and develops. It includes non-profit organizations, whose management is not profit-oriented. In order to achieve sustainability, non-profit organizations must contribute by offering social services to more consumers (Giorgino, 2024).

According to data from the Coordinating Ministry for Economic Affairs (2024), the Indonesian economy grew by 5.05% (yoy) in 2023. In addition, it is said that organizations in the Non-Profit Institutions Serving Households (LNPRT) sector reached their highest growth of 18.11% (yoy) in the fourth quarter of 2023, with a contribution of 1.36% to the national economy (Coordinating Ministry for Economic Affairs, 2024). This data

shows that the role of non-profit organizations (NPOs) in the country is quite significant in supporting economic growth. The data shows that the contribution of NPOs improves the community's welfare. The community feels the impact of these NPOs' presence because the government's role has not been optimal in dealing with social problems. In Indonesia, many social service organizations eventually stop their organizational activities due to a lack of funds because of dependence on donors, which is always realized too late (Apriliani et al., 2021). NPOs are faced with two dilemmas, namely the role that is so awaited by the community and the limitations they have to continue to spread many benefits. Like any nonprofit organization, limited human resources and dependence on donors can sometimes prevent the organization from operating effectively (Nafisaputri et al., 2021).

Problems arise when NPOs face dependence on the role and injection of funds from donors. NPOs lack financial sustainability due to their high dependence on external donors as the sole funding source (Dadu et al., 2024). NPOs have long been an important pillar in addressing social and environmental challenges, playing a role in building a sustainable and just society (Sari et al., 2024). The challenges and dynamics of sustainability are crucial issues faced by almost all NPOs in the country.

A common obstacle found in NPOs in Indonesia is operational challenges. In developing countries, NPOs strive to obtain staff and resources to ensure success and maintain effectiveness (Aboramadan et al., 2021). A further challenge is for new companies looking to expand their corporate vision related to sustainability (Bonfanti et al., 2025). Challenges regarding resources and adaptive processes are crucial on the operational side.

The technical aspects of operations are more rigid and complex for NPOs because they have different characteristics. According to Sari et al. (2024), NPOs face different conditions in their management because they have a mindset that is not a business entity. NPOs often face challenges such as limited resources, increasingly complex societal demands, and demands to achieve significant social benefits (Sulastri et al., 2022).

External challenges were also found to disrupt the activities of NPOs. Research from Kong (2010) shows that taxes, fees, decreased tax incentives, government issues, and the economic crisis are examples of challenges and obstacles that NPOs must face. According to Moxham (2009), trust and legitimacy are important between NPOs and their stakeholders. According to Treinta et al. (2020), accountability is a crucial challenge that requires transparency.

Originally intended to supplement profit orientation, the idea of sustainability emphasized the growing significance of corporate social responsibility (Landoni & Trabucchi, 2024). The importance of sustainability in the organizational environment is reflected in the number of investors and fund donors who seek entities that consider sustainability (Al-Awamleh et al., 2022). The three interlocking circles or pillars—society, environment, and economy—are frequently used to symbolize the concept of sustainability (Daub et al., 2020). Understanding how technology contributes to sustainable development can aid in putting sustainability into practice and advancing the three pillars of sustainability (Golubeva, 2022).

Today, NPOs operate in a work environment characterized by complexity, ambiguity, and economic limitations (Aboramadan et al., 2021). The ability of NPOs to perform performance management is related to the organization's reputation; a maintained reputation is needed to maintain organizational success in the long term (Kristianti & Ardian, 2022). A good reputation will increase donor trust, which allows the organization to get funds to run its operations term (Kristianti & Ardian, 2022). One way to get money is fundraising, which can affect the survival of a social service organization (Rachmasari et al., 2016).

There is one NPO based in Bantul Regency, Yogyakarta. It focuses on providing social and educational services to communities and children who are at risk. The foundation has primarily depended on one contributor for

a very long period. The funds from this donor were used to fund the entity's operations and various humanitarian programs. The problem arises when the foundation becomes dependent on a single donor, which presents a risk, especially to the organization's sustainability agenda. Therefore, based on the discussion, this research proposed several research questions which are:

RQ₁: *What are the operational challenges of non-profit foundations in achieving entity sustainability?*

RQ₂: *What are the initiatives of non-profit foundations in performance optimization efforts ?*

Based on the theoretical and practical review that the author has put forward above, this research aims to elaborate on the various operational challenges of NPOs and provide performance optimization initiatives to achieve entity sustainability. On the academic side, this research will elaborate on a sustainable management perspective that can provide additional knowledge. From the practical side, this research can provide various initiatives to maximize performance as a fundraising effort.

The novelty of this study lies in the research object, which is a non-profit organization that has been around for quite some time. The organization also has the advantage of being supported by the Yogyakarta Palace. The organization is located in Yogyakarta because it indirectly represents the palace in social service efforts. Support from the palace will legitimize the organization in "branding" itself to beneficiaries and potential fund donors.

Other organizations certainly have uniqueness and distinctiveness that distinguish them from competitors. However, according to researchers, it will be challenging to match the characteristics of this organization because it is only a special entity with privilege. The obstacles and challenges faced by NPOs may be large and varied, but the value of uniqueness that distinguishes them is the same.

Literature Review

Sustainability Entity

In 1987, the World Conference on Environment and Development introduced the idea of sustainable development, defining it as development that satisfies present demands while preserving the capacity of future generations to satisfy their own (Golubeva, 2022). The sustainable development goals aim for environmental, economic and social sustainability, hence the importance of combating poverty, hunger and discrimination (Ortega-Rodríguez et al., 2020). According to Candemir et al. (2021), there are three pillars of sustainability: economic, environmental, and social. The concept of sustainability is also an agreement of all countries to support better earth management.

The triple bottom line concept, which shows that sustainable businesses aim to accomplish three different goals, summarizes the many facets of sustainability (Landoni & Trabucchi, 2024). This idea proposes a division between "for-profit" and "non-profit" organizations to encourage the use of sustainability in historically profit-oriented businesses (Landoni & Trabucchi, 2024).

This research specifically will look at these firms' sustainability patterns to find common patterns, distinctive traits, and managerial recommendations for juggling three conflicting business lines (Landoni & Trabucchi, 2024). According to Landoni and Trabucchi (2024), the sustainability model canvas (see Figure 1) is presented as a theoretical framework by the writers after introducing the business model literature.

Sustainability practices have been widely applied in various disciplines and fields, becoming necessary for managing entities today. Spanish farmers must comply with more demanding sustainability standards in their target markets, particularly in North America and the European Union (García-Granero et al., 2025). In achieving sustainability, goals include reducing corruption and increasing transparency (Ortega-Rodríguez et

al., 2020). Current business practices have changed due to the expansion of the knowledge-based economy, or "k-economy," and knowledge-based resources are now a significant determinant and shaper of an organization's sustainability and wealth (Laallam et al., 2020).

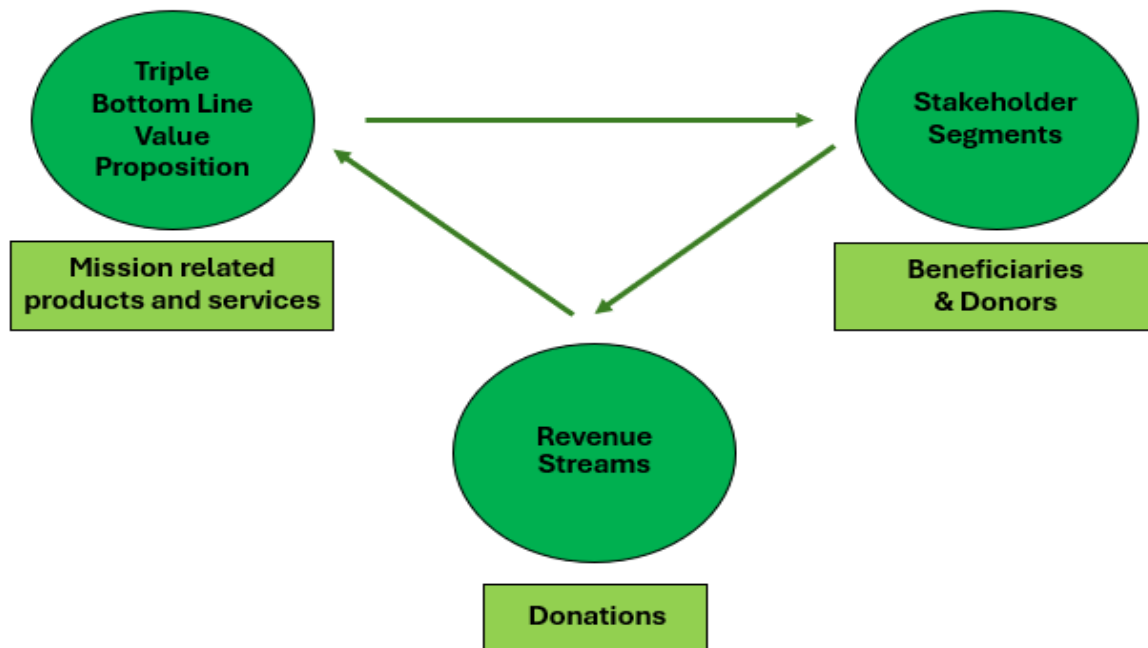


Figure 1 Sustainability Model Canvas for the Contributing Income Framework
(Landoni & Trabucchi, 2024)

The Charitable Triad Theory

Donations are a vital funding source for many NPOs (Chapman et al., 2022). Donors and NPOs are two interdependent and indivisible entities. Since charitable organizations' operations are directly tied to money, their primary activity is fundraising (Seliani et al., 2024). Because it seeks to address significant social issues and support vital social development projects, the idea of fundraising is closely tied to charity endeavours (Stepanova et al., 2020).

The process of raising money to promote a particular philanthropic endeavour, concept, or cause is known as fundraising (Humeniuk, 2023). Fundraising success indicates the extent to which communication strategies contribute to the achievement of fundraising goals and objectives (Yibo, 2023). Fundraising is essential to a non-profit organization's operations (Kassel, 2023). This fundraising initiative is the same as the company's attempt to persuade customers to purchase its goods (Soleh, 2020).

Chapman et al. (2022) study produced a fresh understanding of the connection between fundraisers, funders, and beneficiaries (see Figure 2). This study compares several fields, such as nonprofit studies, economic psychology, and marketing (Chapman et al., 2022). The results of this research produce theories relevant to the realities and phenomena that occur in the aspect of almsgiving. This article presents a fresh and comprehensive theoretical framework for understanding charity giving: The Triad of Charitable (Chapman et al., 2022).

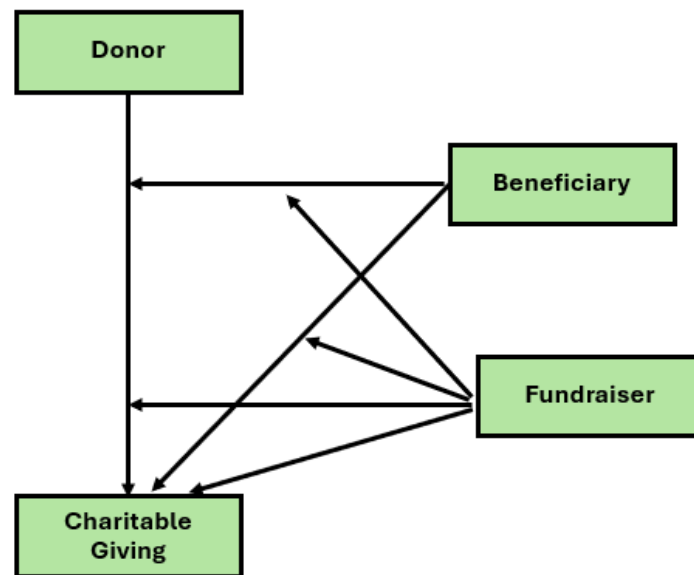


Figure 2 Conceptual Diagram of the Charity Triad Theory (Chapman et al., 2022)

Operational Challenges of the Organization

Dynamics and challenges will always accompany every operational process of an organization, and NPOs are no exception. Problems frequently surface as obstacles to establishing profitable business models are known as business problems (Nunes et al., 2022). A new challenge is to provide new expertise to the organization at all costs. Indeed, good challenge management will make an entity more mature and stronger.

It was discovered that there were various obstacles and difficulties with sustainable business models, with institutional, organizational, and cultural factors being the primary ones (Nunes et al., 2022). Events and experiences over the years illustrate the challenge of sensing problems and the difficulty in finding solutions (Carlsson, 2023). Stacchezzini et al. (2023) describe the mechanism of organizational change in response to challenges. Organization that can adapt to the dynamics, challenges, and developments will surely be the winner.

Lai and Stacchezzini (2021), in their research, review the “accounting problems” that challenge organizations and professionals related to sustainability in corporate reporting. Nunes et al. (2022) analyzed the challenges startups face in implementing business models for sustainability. Every firm has difficulty swiftly expanding into new areas to be prepared to handle quickly changing demands (Lai & Stacchezzini, 2021). Therefore, organizational change mechanisms are operated to overcome challenges and realize risk disclosure (Stacchezzini et al., 2023).

Organizational Operational Improvement Initiatives

Fundraising is one of the funding activities that influence the sustainability of a social organization (Rachmasari et al., 2016). Crowdfunding and fundraising have been extensively studied from a variety of angles by scholars and professionals. Over the past ten years, crowdfunding and its research have expanded significantly (Sewaid et al., 2021). NPOs must have a buzz to attract potential donors with various interesting initiatives.

Making explicit decisions to connect business models to overcome barriers to sustainable development (Nunes et al., 2022). Maximizing fundraising requires deepening and setting the right strategic initiatives and accommodating existing resources. In the social process of strategizing, individuals and groups discuss and

work through issues related to digital technologies (Carlsson, 2023). One definition of technology-induced transformation in an organization is the capacity to recognize and take advantage of the opportunities and difficulties presented by digital technology (Carlsson, 2023).

Methodology

This research uses a qualitative approach using Focus Group Discussion (FGD) techniques. The FGD method was chosen because it is in accordance with the research objectives, namely to elaborate on various challenges and solution initiatives in implementing sustainability in one of the NPOs in Yogyakarta. In order to evaluate results, make strategy recommendations, and obtain comprehensive results, a qualitative method of FGD approach was chosen (Setyawati et al., 2022). Testing theories, identifying novel occurrences, establishing connections between circumstances, and offering a thorough grasp of contextual influences on organizational change have all been accomplished using qualitative research (Garcia & Gluesing, 2013).

The subjects of this research are leaders and staff at a non-profit foundation. This non-profit foundation, which is engaged in the protection and welfare of children, was chosen because it fits the research topic, which is to elaborate on the challenges and sustainability initiatives of NPOs. The total population of the organization is 15 people, consisting of various structural levels. Furthermore, 10 samples from the population will be selected to conduct FGD sessions. The typical size of a focus group discussion is 6 to 12 participants (Eeuwijk & Angehrn, 2017). Several samples were selected based on their capacity, competence, and role in the NPO's operations, starting from the chief level, supervisors and staff are involved as samples in this research.

The first procedure for conducting FGDs is to appoint an FGD facilitator. The facilitator is the person in charge of guiding the discussion session. The second stage is to prepare logistics, which is crucial to preparing a comfortable and distraction-free place. The third stage is the FGD session, which is to record the points in the discussion session carefully. The fourth stage is to analyze the data obtained from the discussion activities. The fifth step is to draw a conclusion that summarising the essence of the data from the FGD session.

Institutions that voluntarily donate funds to beneficiaries or organizations that support beneficiaries include individuals, foundations, governments, and corporations (Chapman et al., 2022). Beneficiaries are organizations that make money off of donations. Individuals or, more commonly, groups of entities can be these entities (Chapman et al., 2022). The charity acts as a middleman between contributors and the intended beneficiaries rather than as recipients itself (Chapman et al., 2022). Fundraisers are organizations that operate to collect donations for beneficiaries; they might be individuals, although organizations are more common (Chapman et al., 2022).

Results and Discussions

The results of this study confirm what the researchers have said in the introduction and theoretical basis. The life cycle of a non-profit organization cannot be separated from the fund donors who supply the needs of the organization operation. NPOs are also inseparable from the beneficiaries, where NPOs function as intermediaries for benefits between fund donors and beneficiaries. This logic cycle causes interdependence between the three subjects.

NPOs also strive to become independent entities, at least not only depending on a single donor of funds. More than that, NPOs are trying to become more independent entities by carrying out a sustainability approach. However, becoming a sustainable organization is not easy; it requires qualified capacity to answer

the challenges and obstacles. Based on continuous improvement initiatives, it is hoped that the vision of becoming a sustainable organization is not impossible to implement.

From the results of the FGD, several operational challenges of NPO that interfere with sustainable management achievement were found, which is a priority for all organizations today, whether for-profit or non-profit. Moreover, the increase of massive technological disruption requires entities to always be adaptive and resilient. At the extreme, if NPOs cannot overcome this challenge, it is not impossible for survival failure to occur.

NPOs with limited budgets and deep dependence on donors certainly face crucial problems. Entities are faced with a difficult choice that must be made as part of the logical consequences. The choice is between downsizing and operating as is or making a breakthrough at the risk of high costs and resistance from members. Through the results and discussion in this research, the author reviews the phenomena and perspectives of the actors; we found two major aspects that become NPOs' operational challenge, which are: (1) limited organizational capacity; and (2) technology infrastructure limitations.

NPOs Have Limited Capacity to Manage Grant Operations

NPOs in obtaining grants or funding require various strategies and innovations. Since charitable organizations' operations are directly tied to money, their primary activity is fundraising (Seliani et al., 2024). In NPOs, the fundraising strategy includes direct (offline) and indirect (online) (Salsabila & Makhtum, 2024). Both conventional and modern strategies are often an option for NPOs, and making grant proposals is a frequent initiative.

Today, NPOs lack the capacity and skills to make good grant proposals. This phenomenon is a fundamental problem for NPOs because almost all operational activities are sourced from donor grants. The limited capacity to manage proposals has proven to be a serious problem as, to date, the NPO has only had one single donor. Fortunately, the donor is large enough to cover all operational costs.

This problem should not be allowed to persist, as it could threaten the existence of the NPO. The dependence on a single donor will also limit the NPO's scope of usefulness. For example, the NPO can only implement programs that must align with the vision of a single donor, while in reality, many aspects of society have not been appropriately handled. The NPO also cannot do much if it faces such a dilemma.

Overcoming obstacles with capacity-building efforts, especially in proposal management and good donor fund management, is an obligation for NPOs. The goal is to overcome dependence on a single donor in the context of efforts to expand benefits by accommodating the various visions and benefits of fund donors. According to Nofitariani (2024), several funding agencies, especially from the USA, can be potential targets for many NPOs in Indonesia. However, few Indonesian NPOs have been able to prospect them; many obstacles are faced, especially limited capacity in managing these opportunities.

The results of this study are related to research from Janah et al. (2021), which states that institutions conduct fundraising by submitting proposals to donors, whether individuals, institutions or agencies. The study's results are also consistent with research from Chapman et al. (2022), which states that many NPOs rely on donations to fund their crucial work. NPOs face different conditions in resource management, decision-making, and goal achievement because they work outside the logic of a for-profit business (Sari et al., 2024). Moreover, limited capabilities and capacities are fundamental problems in organizations, including NPOs. NPOs must be able to manage capacity to maximize the grant potential of each fundraising initiative.

The results of this study are consistent with research from Sari et al. (2024), which states that NPOs in Indonesia must face problems such as humanitarian orientation, uncertainty of the external environment, uneven understanding, limited resources, limited analysis, and difficulty measuring qualitative aspects.

According to the author's analysis, the NPO experiences two crucial aspects: (1) the uncertainty of the external environment and (2) the problem of limited resources (Sari et al., 2024). The uncertainty of the external environment comes from the dynamic policies made by the government, so all components, including the private sector, must always be flexible to adjust the existing regulations. The second crucial problem is the limited resources that make it difficult for foundations to adapt to the times' developments and demands constantly.

The results are also confirmed to be consistent with research from Bhati and McDonnell (2020), which stated that capacity is a core determinant of fundraising success. Bhati and McDonnell's (2020) findings imply that the influence of social media network size, activity, and audience engagement is equivalent for nonprofits of varying organizational sizes. The research results from Bhati and McDonnell (2020) confirm that capacity plays a dominant role in managing NPOs, especially the capacity limitation in managing social media as a critical NPO asset. Moreover, the era of Industry 5.0 implies that mastery of technology, in this case, social media, is a serious concern for all entities. The fact is that foundations have not been able to position and manage social media as a business asset that can reach many potential donors.

Non-profit Foundations Do Not Have Adequate Technology Infrastructure

The research respondents admitted that foundations do not have adequate technology resources. These technological tools include grants management software, customer relationship management, and online communication platforms. One definition of technology-induced transformation in an organization is the capacity to recognize and capitalize on the opportunities and difficulties presented by digital technology. (Carlsson, 2023). With the increasing number of internet users in Indonesia, donating online has become easier today (Huda et al., 2024).

Since technology is influencing traditional ways more and more in this day and age, traditional donation strategies will eventually be replaced by digital strategies that are easier, quicker, and more transparent (Huda et al., 2024). The results of this study are consistent with research from Afandi et al. (2024), it explains the situation of Lazismu Medan City, which struggles to maximize fundraising efforts because of inadequate digital technology and poor marketing tactics. The results are also consistent with research from Dythia & Fatah (2022), which states that Dompot Dhuafa faces two obstacles in the development of digital funds, namely the development of technological innovation and the dissemination of educational information to various generations. These innovations are slightly hampered due to the lack of corporate funding as well as differences in community demographics, namely Generation Z, Baby Boomers, and Millennials (Dythia & Fatah, 2022).

The results of the FGD activity also produced some interesting findings. This activity resulted in recommendations for initiatives that can be implemented by the foundation to optimize performance, which are: (1) Increasing organizational capacity; and (2) Implementation of solutive technology

Increasing the Capacity of NPOs

Both leaders and staff of the foundation recognize that capacity limitations are fundamental. The results of this study are consistent with research from Bhati and McDonnell (2020), our data indicate that social impact, activity, and audience engagement are comparable for NPOs of different organizational sizes, which implies that capacity growth is a crucial factor in determining fundraising success. The results of this study are also consistent with research from Sari et al. (2024), which states that strategic planning of NPOs is strongly influenced by important elements such as experience, resources, growth strategies, partnerships, internal improvements, risk management, and crisis preparedness. Capacity is an important and main point that must be improved and managed properly.

Foundations can implement capacity building by focusing on HR management, specifically on the technical skills of staff. The HR sector has the ability to advance in NPOs that are not profit-oriented due to several internal organizational factors, which can increase employee loyalty and reduce turnover (Gumilang, 2022). Creating a good proposal that attracts donors is an important job. The team must evaluate current funds, organizational assets, and potential financial resource leverage opportunities in order to accomplish successful resource mobilization (Humeniuk, 2023). Research results from Kassel (2023) declare that a successful fundraising endeavor involves trust or the creation of a trustworthy team.

Implementing Technology Solutions

Respondents revealed that leveraging and integrating the right technology is critical to an organization's success. The existence of internet media is typically regarded by scholars and professionals as advantageous for nonprofit organizations (Lam & Nie, 2020). The potential benefits of social media for fundraising are attracting the attention of academics and nonprofit practitioners (Bhati & McDonnell, 2020). Due to the rapid advancement of information and communication technology, nonprofit organizations worldwide have started utilizing social media platforms and computer-mediated communication tools to advertise their organizations (Lam & Nie, 2020).

The results of this study are consistent with research by Lam and Nie (2020) which asserts that NPOs utilize social media as a strategic tool to convey information, engage with communities, and plan events. Campbell and Lambright (2020) further proposed that capacity building can address the way in which nonprofits interact with stakeholders on social media. Nonprofit organizations are depending more and more on digital technology to accomplish their communication objectives as a result of the communication environment's rapid changes (Seo & Vu, 2020). Recent social media research has expanded our understanding of how charitable organizations use Facebook, Twitter, and other platforms to achieve their objectives (Campbell & Lambright, 2020).

Table 1 Summary of Research Results

No	Operational Challenges	Performance Improvement Initiatives
1	Limited Organizational Capacity	Increased Organizational Capacity
2	Technology Infrastructure Limitations	Implementation of Solutive Technology

Source: Processed by Authors

In general, the research results are presented in Table 1, which summarizes the research results. Based on the data processed through the FGD process, two reviews of operational challenges and two reviews of organizational performance improvement initiatives were produced.

In general, the results of this study are in accordance with the core of the theory and previous studies presented. That the management of NPOs cannot be separated and is always related between stakeholders, both donors, beneficiaries and fundraisers. Regarding the objectives and questions in this research, the author argues that they have been successfully answered through the results of the research, based on the results of data processing of FGD sessions. The objectives and questions in this research focus on what are the challenges in managing NPOs, and how NPOs respond to these problems with solutive initiatives.

The results of this study also explain that non-profit organizational must be able to manage capacity and be adaptive to existing changes in order to survive and operate sustainably. Nowadays, the buzzwords for organizations to be prepared for the competitive environment's challenges are sustainability, digitalization, resilience and agility (Miceli et al., 2021). Rai et al. (2021) in the study explores how sustainability and resilience can be beneficial for organizations in the longer run. The foundation must be able to manage the organization and the capacity it has to keep up with the times. There must be a lot of resistance in every change innovation, but this must be done in order to achieve sustainable management. Increase capacity that is not and has not been appropriate, and enrich human resources to be skilled in dealing with change.

Entities must also be able to adapt existing human resources to the latest paradigms and technological tools, because their operational performance can be monitored directly by stakeholders, which in turn can generate commitment and trust. A key set of strategically agile processes, enabled by digitalization, creates strategic resilience that also includes a proactive, opportunity-focused attitude in the face of change (Miceli et al., 2021). The foundation must dare to invest more in upgrading equipment, especially information technology equipment and media in order to support the development of digitization. Foundations must also invest in improving the quality and understanding of human resources, so that these resources are able to manage technology wisely to improve overall organizational performance.

There are two main problems faced by foundations, the first is the limited capacity of the organization. Of course, NPOs with limited funding and resources, especially HR skills have difficulty in achieving optimal performance. The solution initiative for these problems is none other than the foundation must carry out comprehensive capacity building efforts. The findings of this study are consistent with research from Lai and Stacchezzini (2021) which suggests that the new challenge is to provide new expertise for organizations, however, including capacity building. Capacity building is a process of increasing the ability of an organization to achieve predetermined goals (Odelia, 2018). Organizations in an effort to solve problems and to achieve set goals require an ability known as organizational capacity (Sukaningtyas, 2017). Research from Seliani et al. (2024), Rossi et al. (2024), Nenobais et al. (2017) and Bingle (2019) elucidate the significance of capacity building initiatives for the process of organizational sustainability.

The second problem faced by foundations is the limited technology infrastructure. NPOs with limited capacity, of course, find it difficult to realize the ideal infrastructure, especially qualified technological equipment. The results of the study suggest that the initiative to implement solutive technology is a capacity building effort that is appropriate and relevant to current developments. The findings of this study are consistent with research from Lam and Nie (2020), Campbell and Lambright (2020), and Seo and Vu (2020) which state that mastery of technology is a skill needed in this era. The implications of technology are also made clear by research from Dove et al. (2024), It asserts that in order to facilitate inclusive and efficient governance of emerging technologies, capacity building is required.

Conclusion

The findings summary, brief implications, limitations, and recommendations for additional research are presented in this section. The implications are useful suggestions based on the findings of the investigation. While research recommendations is a future path for the next research based on the constraints revealed, research limitations encompass all factors that researchers can take into account to improve future research.

This research aims to elaborate on various operational challenges of NPOs, as well as to convey performance optimization initiatives to achieve entity sustainability. The results of this research are able to explain the various dynamics, challenges and performance improvement initiatives in NPOs in an effort to achieve a sustainable entity. This research successfully revealed that limited organizational capacity and limited technological infrastructure were found to be serious challenges. This research is also able to explain that increasing organizational capacity and implementing solutive technology are strategic initiatives that can be chosen to optimize entity performance in fundraising efforts.

The implications of this research can be used as literacy and reference material in analyzing various phenomena and dynamics related to the management of NPOs. In the academic aspect, the implication of this research is also able to become additional reference material on the rising topic of sustainable entity management. This research helps to further elaborate the various challenges and crucial obstacles in managing NPOs, which certainly have many operational limitations when compared to the management of

for-profit organizations. Furthermore, how are the responses and initiatives of NPOs to create an organization that is resilient and adaptive to the demands and developments of the times.

In technical implications, this research can be a scientific reference material for stakeholders of NPOs in an effort to achieve sustainable management. In the aspect of managing NPOs, it is certainly not as easy as the theory conveyed, many obstacles and operational challenges are found. These challenges are logical because the life of NPOs is very close and depends on the donations received, both from individuals and groups. The technical implications are in accordance with the theory of sustainability and the charitable triad theory which explains that there is a dependency between NPOs and fund donors and beneficiaries. The solution to this problem is that NPOs must be able to manage their capacity as optimally as possible, adjusting to the times and stakeholder preferences of the current era.

The limitation in this study is that it only uses a qualitative approach with the FGD method, so it does not touch the interrelated aspects of a phenomenon. Suggestions for future research are to use a quantitative approach, or a combination of quantitative and qualitative. Future research suggestions can also discuss the relationship between trending phenomena specifically in the management of a non-profit organization in order to achieve a degree of sustainability.

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Conflicts of interest

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