





# ABAC ODI JOURNAL Vision. Action. Outcome

ISSN: 2351-0617 (print) ISSN: 2408-2058 (electronic)

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ABAC ODI JOURNAL Vision. Action. Outcome Vol 9(2) pp. 94-105

www. http://www.assumptionjournal.au.edu/index.php/odijournal

Published by the
Organization Development Institute
Graduate School of Business and Advanced Technology Management
Assumption University Thailand

ABAC ODI JOURNAL Vision. Action. Outcome is indexed by the Thai Citation Index and ASEAN Citation Index

# Exploring Factors that Enhance Organizational Sustainability: A Case Study of Ningshawng Social Institute, Myitkyina, Kachin State, Myanmar

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Received: 16 October 2021 Revised 24 December 2021 Accepted 15 February 2022

#### **Abstract**

The aim of this research is to explore factors that influence organizational sustainability of Ningshawng Social Institute. The factors that were examined were community engagement, funding, human resources, leadership and organizational strategy in NSI Organization in Myanmar. The study used a mixed-method design. The participants of the study were NSI staff, top management, and volunteers who were requested to participate in an online survey. Sixty-three (63) answered the questionnaire and analyzed answers from open-ended question for qualitative data results. The researcher utilizes the Cronbach's Alpha Reliability Test, descriptive analysis, and inferential analysis for quantitative data analysis whereas the qualitative data was open-ended questions that ask the staffs' opinions for the most needed area to explore factors for NGO sustainability. The results indicated that organizations' sustainability is influenced by community engagement and human resources. The qualitative data highlight that organizational strategy and funding will improve the sustainability of the organization. Based on the overall result some areas need to develop according to employees' perspectives of the NSI organization. Therefore, recommendations based on the findings were proposed to enhance NGO sustainability.

Keywords: Myanmar NGO, CSO, sustainability, human resources, organizational strategy, community engagement, funding, leadership.

#### Introduction

Non -Government Organizations (NGO) are important in any culture. According to Wright (2015), NGOs provide crucial services because they perform activities not necessarily performed by the public and private sectors. (Gitonga, 2018). Non-governmental organizations (NGOs) are crucial for society with respect to the humanitarian, political, social objectives they have and the economic activities that take place within them (Metin & Coskun, 2016).

Today, there are approximately 20 international donors, multilateral and bilateral funding development projects in Myanmar. The Local Resource Center, Myanmar's coordinating body for more than 600 civil society organizations, listed 59 international nongovernmental organizations working in the country.

# **Background of the Organization**

Ningshawng Social Institute (NSI) is a Civil Society Organization (CSO) and Non-government Organization. It was established in 2015. Ningshawng Social Institute has been implementing the activities for the young people and organizing the community schools since 2015. NSI is also organizing and facilitating community schools which are run using the mother tongue based multilingual education systems in Basic Education which rely on self-support systems in Kachin State. NSI has got the organizational registration from the Myanmar government in January 2020 and it is a civil society organization that is running with almost 50 Staff.

#### **Statement of the Problem**

Sustainability is often a challenge for NGOs caused by many factors besides funding. Other challenges include, amongst others, poor organizational policies, organizational strategy of functions as well as a lack of trained and skilled staff and volunteers. These challenges can be linked to a lack of funding which makes it difficult to attract skilled staff through better salaries. Thus, enhancing the organization sustainability of a non-government organization like Ningshawng Social Institute, Myitkyina, Myanmar, by analyzing five independent variables, namely Organizational Strategy, Leadership, Human resources, funding, and community engagement is the main objective of this research. The research explores these factors influencing sustainability and proposes recommendations based on the findings for Ningshawng Social Institute.

#### Significance of the Study

The findings of the study would assist top management in planning organizational sustainability strategies to enhance the organization's capacity and productivity.

## **Research Objectives**

- 1. To determine the factors that influence organizational sustainability.
- 2. To proposed recommendation for the sustainability of Ningshawng Social Institute based on the findings.

## **Research Questions**

- 1. What are the factors influencing organizational sustainability at Ningshawng Social Institute?
- 2. What recommendations for organization sustainability are proposed based on the findings?

## **Literature Review**

# **Community Engagement**

Community engagement is the efforts and actions of volunteers and stakeholders in a given social unit. It includes collaboration between sectors, programs, disciplines, governments and organizations. (Gitonga, 2018). Organizations perceived that if they are engaging the local communities in areas of project implementation this could help sustain their NGO. Therefore, community engagement aspects of collaborating with another NGO, corporates, governments, and the local community will improve the organization's sustainability. Williams (2015) stated that community engagement is a form of sustainability in Canada. The author further elaborated that community collaboration is a complex system and growing; it is a kind of engagement between different entities aiming to improve capacity, secure more incomes, and have more impact on the delivery of social services, where NGOs strive to support the community to actualize collaboration and sustainability. Wright (2015) similarly explored the relationship between community engagement and sustainability in Canada, focusing on service duplication,

cooperation, and sharing resources among NGOs. The findings showed that service duplication could significantly drain the resources in a region and, hence, negatively impact the region's sustainability. On the other hand, cooperation and sharing of resources had a promising impact on sustainability.

# **Funding**

Funding is providing financial resources to finance a need, program, or project. It is usually in the form of money and other values such as effort or time. It can be money provided by an organization or government, for a particular purpose. Bell et al. (2010) stated that the fundamental goals of a non-profit organization are to guarantee sufficient funding to fulfill the project goals and objectives. Funding success guarantees an NGOs ability to implement projects successfully. These NGOs led programs collapse due to lack of funds or financial problems and policies required from them to live up to the government's regulation to get funding. This affects the sustainability of programs managed by NGOs in the long run. The procedure to get the fund usually is long for the required approvals to be made. Precise ways of getting the funds should be made more accessible for such projects not to stall. Aipinge (2015) analyzed the sustainability of USG help-supported NGOs in the Health Sector of Namibia. The previous study analyzed operations, staffing, and income plans in influencing sustainability. The findings indicated that decreased funding is capable of inversing gains attained in the health sector and consequently have negative ramification on the ability of NGOs to deliver essential services.

#### **Human Resources**

Human resource refers to any person willing to trade their labor, knowledge, or time for an effort to improve the organization is a human resource (Gitonga, 2018). Human Resources (HR) are considered valuable assets that organizations possess to accomplish organizational goals. Batti (2014) stated that people are social organizations and are essential resources. Organizations cannot exist without people. People support and drive the development of the organization's objectives and achievements for which NGOs are recognized. Human Resources (HR) of NGO is a means of ensuring sustainable growth for an organization as fundamental strength where people interact with strategies, processes, and operations to get things done and to achieve common goals and for the long-term survival of the organization (Lin & Wang, 2016). Liebowitz (2010) indicated that the Human Resource function is organizations designated someone to act as the coordinator to orchestrate closely with the organization's executive. Such an idea might be considered a new area for the practical implementation of sustainable development of the organization.

#### Leadership

Leadership is the ability of an individual or a group of individuals to influence and guide followers or other members of an organization. Organizations presently see sustainability as being essential for a system for long-term business endurance and achievement (Mccann & Holt, 2010). Leaders should embed sustainability in their organizational activities and make sustainable development part of their overall business strategy. According to Hailey (2014) NGOs need to adhere to the following key elements to ensure sustainability and, more importantly, longevity: leadership and management capability that will create an environment that ensures and maintains the financial integrity. McDade (2004) indicated that individuals with good management skills are considered good leaders, and therefore, through their leadership, organizations are steered to prosperity.

# **Organizational Strategy**

Organization strategy reflects the formulation and identification of an overall direction for organization success; it provides organizations with a meaningful context, or a framework, to identify key goals and initiatives with a focus on results desired both for the coming year (short-term) and subsequent years (long-term). The breadth of the timeline (1–3 years or more) reflects the complexity and the challenge of effectively setting the organization's strategy (Barth & Beer, 2018). Organization strategies represent plans and directions for the organization to succeed (Artto et al., 2008) and sustainability strategies then deal specifically with the challenges and opportunities of sustainability. Williams (2015) investigated strategies to understand better how non-profit organizations can be financially stable. Duan (2019) considers that sustainability should correspond to a clear mission statement and strategy in organizations. Weerawardena et al. (2010) emphasized sustainability and strategy relations. They also stated that building a sustainable organization has impacted the strategic focus of the non-profit organizations.

#### **Sustainability**

According to Renz (2016), sustainability is vital for the continued operations of non-governmental organizations in executing their programs. Sustainability links with the economic, social, and environmental objectives of societies in a balanced way and the consequences of today's activities that meet the challenge of sustainable development and require that the process through which decisions are reached is informed by the full range of possible consequences, and is accountable to the public (Farneti & Guthrie, 2009; Mohrman & Worley, 2010).

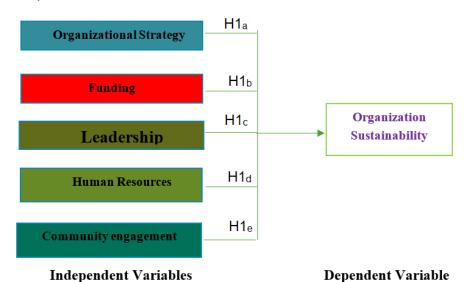
According to a business viewpoint, sustainability has been characterized as an organization's capacity to accomplish its business objectives and increment long-haul investor esteem by incorporating financial, natural, and social freedoms into its business strategies (Wirtenberg et al., 2007). A measure of sustainability is whether something is maintainable, is endured over a long period and whether resources are being depleted or permanently damaged over an extended period. (Okorley & Nkrumah, 2012). The study analyzed operations, staffing, and income plans in influencing sustainability. The findings indicated that decreased funding is capable of inversing gains attained in the health sector and consequently have negative ramification on the ability of NGOs to deliver basic services. In the East African setting, Mutinda & Ngahu (2016) studied the factors around NGO sustainability in Nakuru, Kenya. In their study, factors such as systems of financial control and assembly of financial resources were analyzed. They found that funds activation limit was not factually critical to influence NGO sustainability. Nevertheless, systems of financial control affected the sustainability of NGOs. The examination recognized an exploration hole because past research uncovered the conceptualization of studies in Kenya, which lacked explicit factors influencing NGO sustainability.

#### **Conceptual Framework**

The conceptual framework was designed based on the review of literature and theoretical framework and the SWOT/ SOAR analysis of the Ningshawng organization The conceptual framework shows the five independent variables: organizational strategy, community engagement, leadership, human resources, and funding. The dependent variable is organization sustainability of non-government organizations in Myanmar.

Figure 1

Conceptual Framework



Developed by the researcher (2021).

# **Research Methodology**

#### **Research Design**

To accomplish this research study, the researcher used mixed methods research using qualitative and quantitative approaches. The qualitative data was obtained from the openended question. The quantitative data was collected through questionnaires distributed to NSI top management, staff, and volunteers to explore and design guidelines that influence the sustainability at NSI.

#### **Research Instruments**

## Quantitative Research Instrument

The survey questionnaire consisted of two parts: the demographic information and questions related to the study topics. The demographic profile included respondents' position, department, age, and years of service. The second part of the questionnaire asked the perception of respondents regarding five elements: leadership, organizational strategy, funding, community engagement, and human resources of NSI. The questionnaire used the 5-point Likert scale from strongly agree (5) to strongly disagree (1).

#### **Qualitative Research Question**

The open-ended question was "What are the most important areas or urgent needs for the organization to thrive in the future?

#### **Reliability and Validity of Research Instruments**

Table 1 presents the results of the reliability test using Cronbach's Alpha, the result of every variable between 0.61-0.84, which means that every question of each item in the questionnaire is reliable.

Table 1

Cronbach's Alpha Results

Variables	Number of Items	Cronbach's Alpha	Reliability
Organizational strategy	4	.773	Reliable
Leadership	4	.615	Reliable
Human Resources	4	.762	Reliable
Funding	4	.690	Reliable
Community Engagement	4	.657	Reliable
Sustainability	4	.840	Reliable

### **Research Population**

The target respondents in this research study were the total population of the entire NSI which comprised of the top management, volunteers and part-time trainers totaling 63 employees from various departments who work in the NSI Office Myitkyina, Myanmar.

#### **Results and Discussion**

# **Demographic Data**

 Table 2

 Age of Respondents

No	Categories		No. of respondents	Percentage (%)
1	Age	Less than 18 years old	1	1.6
		18-27 years old	39	61.9
		28- 37 years old	16	25.4
		38- 57 years old	5	7.9
		58- 67 years old	1	1.6
		68 years above	1	1.6

The highest number of respondents is the age group 18-27 years old, which comprise 61.91 percent of the total respondents. Sixteen percent of the respondents are in the age group of 28-37 years old representing 25.4 percent of the total respondents. There are five persons who are in the age group of 38-57 years old-which is 7.9 percent of the total population. For the age group between 58-68, 68 years above and less than 18 years old respectively, each group has 1 person or 1.6 percent of the total. (Table 2)

**Table 3**Respondents' Year of Service

Categories		No. of	Percentage
		respondents	(%)
Service Year	0-2 years	39	61.9
	3-5 years	17	27.0
	6-8 years	7	11.1

With regard to the number of years of service, those who have 0-2 years of experience total 39 respondents which is 61.9% of the total. Those who have 3-5 years of experience total 17 respondents which is 27% of the total. There are 7 persons who have service years 6-8 years which is (11.7%) percent of the total. (Table 3)

 Table 4

 Departments where Respondents Work

	Categories	No. of respondents	Percentage (%)
Department	Business Management and English	9	14.3
	Finance department,	9	14.3
	Higher Education Department	2	3.2
	Ningshawng Social Institute (Main)	27	42.9
	Pre English class Department	2	3.2
	Basic Education Department	14	22.2

Twenty-seven of the total respondents are from Ningshawng Social Institute (Main) department representing 42.9 percent. The same number of respondents from Business management and English department and finance department with 9 and it is 14.3 percent respectively. For the higher education department and pre-English class respectively, each department has 2 persons or 3.2 percent of the total. (Table 4)

**Table 5**Job Positions

	Categories	No. of	Percentage
		respondents	(%)
Job Position	Top Management	7	11.1
	Coordinator/ Facilitator	14	22.2
	Trainer	15	23.8
	Staff	12	19.0
	Volunteer	11	17.5
	Part-time Trainer	4	6.3

The highest number of respondents are "Trainers" which is 23.8 percent of the total population. Coordinator/ facilitators are the second highest number 14 which is 22.2 percent. (Table 5)

**Table 6** *Education Level* 

	Categories	No. of respondents	Percentage (%)
Education	Diploma	18	28.6
	High School	4	6.3
	Master's Degree	10	15.9
	Undergraduate degree	29	46.0
	Ph.D.	2	3.2

Most of the respondent's obtained an "undergraduate degree" which comprises 29 persons or 46.0 percent of the total respondents. There are 10 people who have Master's degrees which represent 15.9 percent of the total population. Those who have diploma degrees total 18 respondents which is 28.6% of the total. (Table 6)

# Research Objective I - To determine the factors that influence organizational sustainability.

In order to determine which factors, influence organizational sustainability, the researcher employed the multiple linear regression analysis of the quantitative data and to test the hypotheses. Two variables showed the factors that influence organizational sustainability.

**Table 7**Summary of Multiple Linear Regression Results

Hypotheses	Standardized Coefficient	Level of Sig	Results
H1 <sub>a</sub> - Organizational Strategies has a significant influence on Organizational sustainability	.101	.451	H1a Not supported
H1 <sub>b</sub> - Funding has a significant influence on Organizational sustainability	142	.153	H1b Not supported
H1 <sub>c</sub> – Leadership has a significant influence on Organizational sustainability	.064	.499	H1c Not supported
H1 <sub>d</sub> - Human resources has a significant influence on Organizational sustainability	.407	.003	H1d supported
H1e- Community engagement has a significant influence on Organizational sustainability	.436	.000	H1e supported

According to the results as shown on Table 7, community engagement has the highest influence on NGO sustainability with the beta at .436 and p value at 0.000. Therefore, community engagement has the highest influence on NGO Sustainability.

Human resources rank the second with the beta at 407.and p value at 0.003. Employees feel satisfied with the support they get at NSI. However, the organization needs to retain qualified employees.

**Table 8**Recommendations based on the quantitative and qualitative results

Variables	An item with the highest mean	Qualitative (Summary from Open-ended questions)	Recommendations
Community engagement	Our organization engages the local communities in areas of project implementation.	Employees believe they are engaging the local communities in project implementation areas, to expand the scope of collaboration among Kachin CSO.	Community engagement aspects of collaborating with another NGO, corporates, governments, and the local community will improve the organization's sustainability.
Human resources	Staffs are supportive of the organization.	Staff feels satisfied that they are supportive of the organization. Staffs are supported the organization.	Organization needed to retain qualified employees. Human resources capacity is need to be enhanced.
Funding	Our organization needs to generate its own fund to attain sustainability	The organization's strategy perceived that the sustainability plan was well provided in NSI.	Funding for the organization needs to generate their own fund and the organization should have more donors.
Organization strategy	Our organization has a clear vision and mission statement that is aligned to the strategy.	Clear vision and organizational strategic plan are needed for sustainability	Organization should have better long-term strategy, and a clear vision for the organization. There is a financial sustainability strategy and the organization needs to review monthly internal and external progresses.
Leadership	Our organization leader embraces a spirit of teamwork and cooperation	leaders should be the right people, right place.	That the organization leader should have required qualifications, skills, competence, and experience should be the right people, right place

Based on the results as shown on Table 8, the majority of respondents agreed that community engagement aspects of the organization engaged the local communities in areas of project implementation sustainability of the organization with a mean of 4.206. Previous research showed that local engagement may help build community capacity to address future problems (Reed et al., 2006). Holland (2012) affirmed the findings when he concluded that community engagement is the collaboration between organizations and governments (local, state, national, global) to exchange resources and knowledge in a partnership and reciprocity context in the US, hence influencing sustainability.

When it comes to human resources, staff feels satisfied that they are supported by the organization. Inferential statistics revealed that human resources positively affected the sustainability of NGOs. Results of the inferential statistics included unstandardized regression coefficients of .003, which showed a significant effect of human resources on the sustainability of the NGOs. Omeri (2015) also argued that a significant positive relationship exists between NGOs sustainability and competence of staff managing the projects, adequate staffing, and better staff remuneration in the study done in Nakuru County, Kenya.

Both the quantitative and qualitative data highlight that organizations should have more financial support from donors and generate their income. Bell et al. (2010) state that it is insufficient for nonprofits to have a high-impact program if there is no effective strategy for sustaining the organization financially, just as it is not sufficient to be financially stable without sustainable programs. A typical result of funding highlights that organizations should sufficiently be funding more financial support from donors and generating their income. Bell et al. (2010) state that it is insufficient for nonprofits to have a high-impact program if there is no effective strategy for sustaining the organization financially, just as it is not sufficient to be financially stable without sustainable programs.

The results showed, Organization strategy needs to be enhanced with in the organization to better enhance operations.in the NSI. Firstly, the organization needs to make a monthly review on internal and external progress to ensure that the sustainability of the projects is continued. Secondly, organization needs to design a better long-term strategy, and a clear vision for the organization with participative decision making among all stakeholders.

Results showed that the leaders of these NGOs possess all the required qualifications, skills, competence, and experience. In addition, employees agree that their leader embraces a spirit of teamwork and cooperation. Okorley and Nkrumah (2012) asserts that leaders must possess adequate managerial skills, encourage teamwork, and lead by example; in this way, the management will get the necessary support for ensuring organizational sustainability.

Lastly, respondents perceived that the sustainability plan was well provided in NSI. There is financial sustainability strategy, and the organization needs to review monthly internal and external progress. Therefore, strategy plays a vital role in enhancing the sustainability of NSI.

In summary, the sustainable level of NSI organization, Myitkyina, Myanmar, is positively measured with five main dimensions: organization strategy, leadership, human resources, funding, and community engagement. Moreover, these two factors Community engagement and Human resources play as important factors in exploring organizational sustainability.

However, there are some areas that employees would like the organization to improve for more sustainability. Employees also think they need financial support, strategic plans for sustainability, competent staff, and more donors in the organization for training and financial sustainability. Based on the quantitative results, employees believe that engaging the local communities in project implementation is important. Therefore, if NSI Myitkyina keeps improving some areas suggested by employees, it will be much more sustainable for NGOs.

# **Suggestions for Further Studies**

This research includes factors that enhance sustainability of Ningshawng Social Institute, Myitkyina, Myanmar, an NGO. The researcher used factors such as leadership, human resources, funding, organizational strategy, and community engagement. From the analysis of MLR (Multi liner regression) from 63 respondents, the results indicated that five independent factors of organization sustainability can explain 58.7% of NGO sustainability, and 41.3% can be explained by other factors. In this research, the researcher focused on employees who are working in NSI which is located in Myitkyina, Myanmar. Therefore, the other factors that represent the 41.3% can be explored further in another study in other types of company, charity, political association, and resistance movements.

In this study, the result of hypothesis testing indicated that among the five independent factors, community engagement and human resources significantly influence NGO sustainability. The other three factors, Leadership, Funding, and Organization Strategy, have no significant influence on NGO sustainability. However, the result might be different based on different variables, target population, and perception. In the future, further research should study sustainability of church or faith- based organization other non-profits situated in another area of Myanmar.

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