THE IMPACT OF STRATEGIC PLANNING FOR TRAINING AND EDUCATIONAL NON GOVERNMENT ORGANIZATIONS IN SRI LANKA: AN EVALUATION USING THE BALANCED SCORECARD

Author's Details:
Weerasooriya.W.M.R.B.[1]: Doctoral Student, School of Graduate Studies, Management & Science University, Malaysia.
Prof.Dr. Ali Khatibi[2]: Faculty of Business and Professional Studies, Management & Science University, Malaysia.
Dr.Alwis.A.C.De[3]: Department of Human Resources Management, University of Kelaniya, Sri Lanka.

Abstract
This purpose of this study is to investigate the impact of strategic planning, based on the balanced scorecard concept, to emphatically investigate the training and educational non-government organizations in Sri Lanka. This study aims at performance effectiveness made using the multiple perspectives of the balanced scorecard (Robert S. Kaplan & David P. Norton, 1992 a). A fifth dimension was added to the balanced scorecard, developed originally by Niven (2008), which is volunteers' development. Fifty executives were selected from the Sri Lankan training and educational non-government organizations for this study. Results however, did not show that most of the Sri Lankan non governments are fully aware of the BSC as a tool for assessing their performance effectiveness. A statistically significant difference was found in four out of five domains embraced by the BSC performance effectiveness scale and four out of seven hypotheses were supported to the performance effectiveness model. The NGO's sector in Sri Lanka is highly fragmented and lacks the formal means necessary for effective performance reporting.

Key Words: Balanced Scorecard, Training and Educational Non-Government Organizations, Strategic Planning, Performance Effectiveness
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1.1. Introduction
The relationship between strategic planning process and performance in organizational effectiveness was examined in the government and training and educational non government sectors in Sri Lanka. This study empirically examines the effect of strategic planning on Sri Lankan non government organization's performance. An evaluation of organizational performance effectiveness was made using the numerous perspectives of the balanced scorecard and included volunteers' development as a new perspective.

This study tries to construct upon the suggestions by Neuman (2006) and Robinson (1992) to study the material consequence of strategic planning process on non-government organizations' performance effectiveness. Neuman (2006) suggested that future research has to examine the effect of strategic planning on other measures of non-government's performance that are beyond the financial measures. Robinson (1992) on the other hand suggested that future research should be directed towards examining the impact of strategic planning on non-government's performance especially on their financial and operational results. The BSC, which initially included of four perspectives and it, was customized to incorporate a 5th dimension is volunteers' development. This fifth dimension is important for non-government organizations' performance effectiveness as indicated by Lysakowski (2005); Chang and Gang (2010); Franklin, (2011) and Ghoneim, (2012) who recommended that non governments have to carefully manage their volunteers to derive effective performance results. The developed technique applied to evaluate the contact of strategic planning process on non-government performance success as affected via achievement of mission. The study too applies the model originally developed by Blackmon (2008) in a different context that is the Sri Lankan non-government organizations.

1.2. Training and Educational Non-Government Organizations in Sri Lanka
The training and educational NG organizations focused on community-based participatory development and capacity development. It has specialized in strengthening the capacity of individual NGOs, GOs and Private Sector organizations to manage their organizations and projects more efficiently and effectively. These NGO's frequently provides training / consultancy directly to organizations and their partners. This can be based on adapting existing training modules / methodologies to suit a particular organization or can request completely designing courses / services on the client's specifications. All Training modules and services are developed through discussions and negotiations with clients, and conducted by highly experienced resource persons with extensive development knowledge and understanding of the client's need. This offers this training / consultancies in English, Sinhala and Tamil to meet identified needs of NGOs, GOs and Private sector.

1.2.1. Important Aspects of Educational and Training NGO's

1. High quality Resource Persons to deliver the consultancy service on specific subject areas.
2. Application oriented methodologies, as opposed to being merely theoretical and conceptual.
3. A participatory approach to stimulate learning.
4. Short lectures, output-focused structured discussions, visualization techniques, plenary discussions and personal feedback.
5. Group assignments and presentations stimulate the exchange of experience and ideas.
6. Case studies to help clients to recognize their own working surroundings and the problems and opportunities they face - stimulate clients to reflect on their own organizations and working environments.
7. Action plans to supports the implementation of new skills and knowledge by the clients.
8. We adopt a non-formal participatory methodology that enables the client to benefit fully from "learning by doing" approach.

1.3. Problem Statement

Traditionally, non-government organizations in Sri Lanka tried only to generate sufficient revenues to cover their expenses and be able to serve public needs but they did not seek to make operating profits, unlike for profit making organizations. Thus, in response to these demands many non-government/nonprofits are becoming obliged to apply formal strategic planning processes and utilize a balanced scorecard approach to measuring performance effectiveness as guided by their mission and vision statements. The balanced scorecard can be used effectively to assess performance effectiveness by reflecting the perceptions of multiple perspectives attached to organization achievements. Stakeholders are demanding increased accountability and indicators of overall organizational performance; therefore, a systematic balanced means of promoting improved organizational performance and assessing performance are becoming increasingly important. ***The current research attempts to fill in this gap by studying how strategic planning can be used as means for improving organizations performance effectiveness in educational and training non governments operating in Sri Lanka using the balanced scorecard.***

1.4. Research Objectives

To identify the respondents' perceptions – strategic planners – of the impact of strategic planning processes on their organizational performance effectiveness given the five perspectives of the modified balanced scorecard.

2.1. Literature Review

Franklin (2011) and Ramanathan (1982) asserted that strategic planning is a critical part of strategic management, which helps non-government organizations craft and realize strategies aimed at greater performance effectiveness, improved accountability, and sustainable competitive advantage. This is suitable for the behaviors of any kind of organization with its upcoming requirements and also effect the rules that are guided to planning process and strategic planning theories similarly to apply to organizations i.e., for profit and non-government organizations (Ramanathan, 1982).

Franklin (2011) added that non governments which are strategic planners are having a better chance for serving public needs successfully than non-strategic planning counterparts. However, Helmig, Jergers, and Lapsley (2004) claimed that strategic planning can be challenging for some non governments. These non governments are found to have hardships in establishing a bright mission and communicating a clear dedication to improve the quality of life in their society. Thus, non governments that are not strategic planners are supposed to follow this category and consequently there is a critical need to make them aware of the importance of strategic planning and how it could favorably enhance their performance.

Despite the different methodologies used in conducting prior research on the correlation among strategic planning and non-government organizations' performance, most findings reported a significantly positive relationship between the two constructs (Ghoneim, 2012). Different methodologies have been employed in their prior research efforts to find out the connection between strategic planning process and performance effectiveness in non-government organization. This study conducted by both Al-Shammari and Hussein (2007) for instance utilized a quantitative research design using the questionnaire as a tool to measure the link between strategic planning and organizational performance. The studies conducted by Blackmon (2008) and Franklin (2011) employed a retrospective cross sectional research design using the questionnaire as a tool for data collection to examine the same relationship. Giffords and Dina (2004), on the other hand, used a case study research design to investigate the same relationship. The study conducted by Neuman (2006) on the impact of strategic planning on hospitals' performance has also revealed a *positive* association between both constructs. He suggested that future research should examine this relationship while considering other measures

of performance that are beyond the financial indicators. Although they differ in their respective methodological approaches, their findings were very similar.

The strategic planning in NGO's working in countries applying the framework modified by Rhodes and Keogan (2005), this connects accomplishment of strategy to HRM and institutional arrangements are interconnected. 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.

2.2. Development of the Conceptual Study Model

The researcher relied on the empirical model proposed by Blackmon (2008) to measure the relationship between strategic planning and performance effectiveness in Sri Lankan non-government/nonprofit organizations using the balanced scorecard approach. A retrospective the proposed relationships among research construct. Modifications were applied to the dimensions of performance assessment offered by the balanced scorecard. A fifth dimension which is volunteers' development was added to the four dimensions of the balanced scorecard (customer processes, internal business processes, employee learning and growth, financial processes).

This was due to researcher's belief that volunteers have an important role in the work of NGO's in Sri Lanka. Hence, the researcher has developed a scale, composed of six items, to measure volunteers' development and it was incorporated into the original BSC performance effectiveness scale.

Therefore, the current research model is considered as an extension to the model developed earlier by Blackmon (2008) that has been modified to fit application into the different context within which non governments operate in Sri Lanka.

The research model is shown in the following figure.

Figure 2.1 – Research Model
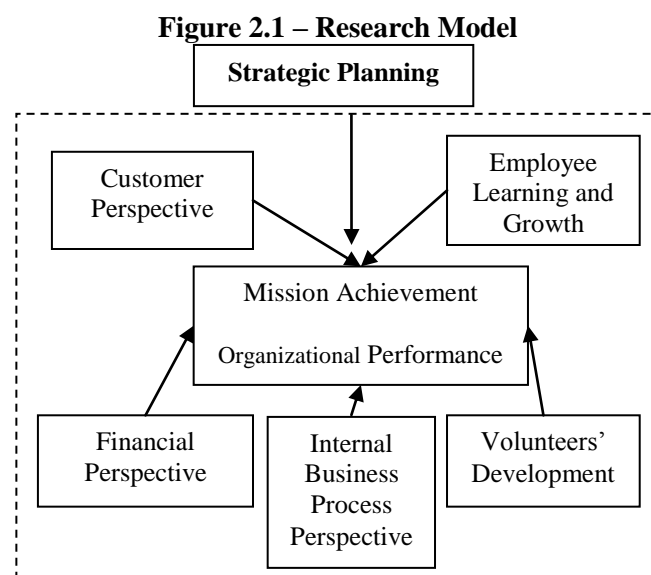
Based on the figure, the research model is divided into two parts; the first part represents the dimensions of the strategic planning process which focuses on strategy content, environmental assessment, human resource management and organization's structure, and mission achievement as developed by Rhodes and Keogan (2005); the second part represents performance effectiveness as measured by the five perspectives of the balanced scorecard which include customer processes, internal business processes, employee learning and growth, financial processes and volunteers development.

3.1. Methodology

The objective of this research is to examine the formal strategic planning tools apply to Sri Lankan non-government organizations, identify the respondents' perceptions of strategic planning processes on organizational performance

effectiveness given the five perspectives of the modified balanced scorecard, examine how formal strategic planning processes can help non-government organizations in improving performance effectiveness as indicated by mission accomplishment and analyze the strategic planning enhance performance of non-government organizations.

3.2. Research Hypotheses

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. This study constructed seven hypotheses.

3.3. Instrumentation / Measurement of Research Variables

The BSC performance effectiveness scale developed by Blackmon (2008) was based theoretically on the balanced scorecard approach. This scale was used later in its entirety by Franklin (2011) which provides preliminary support for the validity and reliability of the scale. It was originally developed to measure performance effectiveness of non-government organizations using the four perspectives of the balanced scorecard. The scale captures information about the BSC domains which include; customer processes, internal business processes, employee learning and growth, and financial processes. The modified scale incorporates the fifth domain which is volunteers' development. The new modified scale intended to find out some causal relationships between strategic planning and training and educational non-government organization's performance effectiveness using the five domains of the BSC.

The direction of questioning using either 5-point Liker or semantic differential scales was maintained the same throughout the various sections of the questionnaire. For example, the overall organizational change scale was arranged so that (1) is strongly disagree and (5) is strongly agree thus, higher scores were given to responses approaching (5) and this indicated a superior performance in subsequent data analysis.

3.4. Study population and sampling technique

A sample frame according to Babbie (2005) is the list or quasi list of units composing a population from which a sample is selected. A total of fifty (50) training and educational NGO's were distributed and the researcher was present during the completion of the questionnaires to clarify any ambiguous issues. The target population for the study was comprised of Sri Lankan non-government organizations. There were 1397 registered NGO's operates in Sri Lanka (National Secretariat for Non-Government Organizations). These NGO's categorize in 16 different types of organizations and for this study I have selected educational and training NGO's only.

4.1. Analysis of Research Findings
4.1.1. Assessing the Validity of Scale Items

Confirmatory factor analysis was used to examine the convergent validity of the items listed in the questionnaire. With respect to strategic planning, confirmatory factor analysis resulted in only one component. All seven items measuring strategic planning were significant and had factor loadings above .5 and thus are considered practically significant (Hair, et al., 1998). The procedure resulted into a percentage of variance extracted equals to 86.5%. Table (4-1) summarizes the results of the confirmatory factor analysis for strategic planning.

Table (4-1): Results of the Confirmatory Factor Analysis of Strategic Planning

Items	Components
	Factor 1
Q.1	0.897
Q.2	0.841
Q.3	0.940
Q.4	0.550
Q.5	0.951
Q.6	0.784
Q.7	0.880

Confirmatory factor analysis with one factor extracted was used to examine the convergent validity of mission achievement. All component having factor loadings above .5 and thus are considered practically significant.

The procedure resulted into a percentage of variance extracted equals to 78.4%. Table (4-2) summarizes the results of the confirmatory factor analysis for mission achievement.

Table (4-2): Results of the Confirmatory Factor Analysis of Mission Achievement

Items	Components
	Factor 1
Q.1	0.701
Q.2	0.775
Q.3	0.898
Q.4	0.932
Q.5	0.802

Confirmatory factor analysis with one factor extracted was used to examine the convergent validity of customer processes. All items having factor loadings above .5 and thus are considered practically significant.

The procedure resulted into a percentage of variance extracted equals to 67.9%. Table (4-3) summarizes the results of the confirmatory factor analysis for Customer Perspective.

Table (4-3): Results of the Confirmatory Analysis of Customer Perspective

Items	Components
	Factor 1
Q.1	0.816
Q.2	0.829
Q.3	0.859
Q.4	0.881
Q.5	0.902

Confirmatory factor analysis with one factor extracted was used to examine the convergent validity of internal business processes. Five items measuring the construct having factor loadings greater than .5 and thus are considered practically significant.

The procedure resulted into a percentage of variance extracted equals to 82%. Table (4-4) summarizes the results of the confirmatory factor analysis for internal business processes.

Table (4-4): Results of the Confirmatory Factor Analysis of Internal Business Processes

Items	Components
	Factor 1
Q.1	0.940
Q.2	0.714
Q.3	0.916
Q.4	0.918
Q.5	0.913

Confirmatory factor analysis with one factor extracted was used to examine the convergent validity of employee learning and growth. Four items, measuring employee learning and growth, having factor loadings greater than .5 and thus are considered practically significant.

The procedure resulted into a percentage of variance extracted equals to 65%. Table (4-5) summarizes the results of the confirmatory factor analysis for employee learning and growth.

Table (4-5): Results of the Confirmatory Factor Analysis of Employee Learning and Growth

Items	Components
	Factor 1
Q.1	0.775
Q.2	0.749
Q.3	0.809
Q.4	0.634

Confirmatory factor analysis with one factor extracted was used to examine the convergent validity of financial processes. Three items having factor loadings greater than .5 and thus are considered practically significant.

The procedure resulted into a percentage of variance extracted equals to 67%. Table (4-6) summarizes the results of the confirmatory factor analysis for financial processes.

Table (4-6): Results of the Confirmatory Factor Analysis of Financial Processes

Items	Components
	Factor 1
Q.1	0.816
Q.2	0.907
Q.3	0.841

Confirmatory factor analysis with one factor extracted was used to examine the convergent validity of volunteers' development. Five items having factor loadings above .5 and thus are considered practically significant.

The procedure resulted into a percentage of variance extracted equals to 71.5%. Table (4-7) summarizes the results of confirmatory factor analysis of volunteers' development.

Table (4-7): Results of the Confirmatory Factor Analysis of Volunteers' Development

Items	Components
	Factor 1
Q.1	0.809
Q.2	0.824
Q.3	0.857
Q.4	0.782
Q.5	0.760

Confirmatory factor analysis with one factor extracted was used to examine the convergent validity of general organizational change. Six items having factor loadings above .5 and thus are considered practically significant.

This procedure has resulted into a percentage of variance extracted to 71%. Table (4-8) summarizes the results of confirmatory factor analysis of general organizational change.

Table (4-8): Results of the Confirmatory Factor Analysis of General Organizational Change

Items	Components
	Factor 1
Q.1	0.734
Q.2	0.919
Q.3	0.869
Q.4	0.795
Q.5	0.826
Q.6	0.634

4.1.2. Assessing the Reliability of Scale Items
Cronbach alpha coefficient was used to examine the reliability of research constructs. The procedure of calculating Cronbach alpha coefficients after item deletion was employed to improve the reliability of scale variables. The following table (4-9) summarizes the results of the internal reliability of research items.

Table (4-9): Reliability of Research Items

Construct	Cronbach alpha Coefficient
Strategic Planning Process	0.928
Mission Achievement	0.861
Customer Perspective	0.909
Internal Business Processes	0.928
Employee Learning and Growth	0.786
Financial Process	0.816
Volunteers' Development	0.861
General Organizational Change	0.886

	BUSPRO	GROLEARN	FINPRO
MISSACH Person Correlation Sig. (2-tailed) N	.481** .000 50	.404** .004 50	.188 .191 50

The reliability analysis shows that Cronbach alpha coefficients for the variables strategic planning, mission achievement, internal business processes, customer process, volunteers' development, financial process and general organizational change exceeded .8. This again confirms with the criterion for reliability assessment set by Gliem and Gliem (2003) whereby Cronbach alpha coefficient of greater than .8 is considered a reasonable indicator of the internal consistency of scale items. The employee learning and growth process considered Cronbach alpha value is 0.786 as a reasonable indicator of the internal consistency of scale items.

4.1.3. Discriminant Validity Tests
In order to test the discriminant validity of research variables, Cronbach alpha coefficient for each variable will be compared with its correlation with other variables (Sharma and Patterson, 1999). Independent research variables include strategic planning, mission achievement, customer processes, internal business processes, employee learning and growth, financial processes, and volunteers' development. Tables (4.10.1 to 4.10.4) will present the correlation matrix of independent research variables with alpha coefficient for each variable.

Table (4.10.1): Correlation Matrix of Independent Variables

Table (4.10.2): Correlation Matrix of Independent Variables
Table (4.10.3): Correlation Matrix of Independent Variables

	VOLDEV	CUSTPRO
FINPRO Person Correlation Sig. (2- tailed) N	-.047 .747 50	-.120 .406 50

	MISSACH	BUSPRO	GROLEARN	FINPRO	VOLDEV	CUSTPRO
STRPLAN Person Correlation Sig. (2-tailed) N	.886** .000 50	.666** .000 50	.461** .001 50	.116 .422 50	-.458** .001 50	.363** .010 50

Table (4.10.4): Correlation Matrix of   Independent Variables

	CUSTPRO
VOLDEV Person Correlation Sig. (2- tailed) N	.322* .022 50

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Based on tables (4.10.1 to 4.10.4) one type of comparison will be performed. This comparison will be between alpha coefficients for each variable and its correlation coefficients with all other variables. With respect to this type of comparison, significant correlations exist between most of the research variables, yet all of these correlations are lower than the alpha coefficients for each variable individually. For example, strategic planning and mission achievement are significantly correlated (r= .886) yet the reliability coefficients for both variables are .928 and .861 respectively, this means that respondents can discriminate between the two variables although they are correlated. Some of the correlations were recorded the negative relationships. For examples, STRPLAN and VOLDEV, The MISSACH and VOLDEV ,The BUSPRO and VOLDEV ,The GROLEARN and FINPRO and VOLDEV , The FINPRO and GROLEARN and VOLDEV and CUSTPRO, The VOLDEV and STRPLAN and MISSACH and BUSPRO and GROLEARN and FINPRO.

4.1.4. Descriptive Characteristics of Respondent Nonprofit Organizations
The BSC performance effectiveness scale collected a sufficient amount of information about the demographics of respondent organizations. It captured information about the governorate in which the organization's position, age group, gender, tenure and responsible employees. The following table presents the positions held by the executives in the non-government organizations in Sri Lanka.

Table (4-11): Distribution of Respondents by Position

Position	Frequency	Percentage
Executive Director	4	8
Deputy Executive Director	18	36
Executive Assistant or Other Officer	28	56

Based on table (4-11), 8% of Executive Directors respond with frequency of 4 peoples, 36% of Deputy Executive Director and 28 Executive Assistant or Other Officer respond with 56%.

Categorical data about the distribution of respondents by age category was Collected and presented in the following table.

Table (4-12): Distribution of Respondents by Age

Age Category	Frequency	Percentage
30 – 40	16	32
41 – 50	20	40
51 – 60	9	18
More than 60 years	5	10

Based on table (4-12), majority of respondents fell in the age bracket from 41 to 50 years old (40%) and 18% fell in the age bracket 51 – 60 years. About 10% of respondents were above 60 years old and finally 32% fell in the age group 30 – 40 years. This highlights the fact that majority of managerial holding positions in NGO's are captured by the elderly in Sri Lankan and therefore youth are highly underrepresented.

The distribution of respondent by years of tenure in investigated organizations is presented in the following table.

Table (4-13): Distribution of Respondents by Tenure

Number of years in Tenure	Frequency	Percentage
Below 5	16	32
6 – 10	16	32
11 – 15	14	28
More than 15	4	8

Based on table (4-13), majority of respondents spent from 6 -10 years and bellow 5 years in tenure in their organizations (totally 64%). 28% of respondents spent from 11 – 15 years and 8% represent the more than 15 years. This is a good indicator about the adequacy of information reported by respondents based on their accumulated professional experience in the examined organizations.

The distribution of respondent by size of the organization in investigated is presented in the following table.

Table (4-14): Distribution of Size of the Organizations (Number of Employees)

Size (Number of Employees)	Frequency	Percentage
Less than 25	37	74
26 – 50	8	18
Over 100	4	8

Based on table (4-14), 74% of respondent organizations operate with a number of employees less than 25 employees. 18% operate from 26 -50 and 8% operate over 100 employees. This indicates the trend in most nonprofits to reduce overhead expense by reducing the size of paid employment.

4.1.5. Hypotheses Testing

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 and determine if there was a positive relationship between strategic planning and organizational performance change in investigated NGO's. Results are presented in table (4-15).

Table (4-15): Regression Analysis of Strategic Planning and Organizational Performance Change

Predictor	R^2	Beta	Std. Error	T Value	Sig.
Constant			1.868	6.646	.000
Strategic Planning	.684	0.595	0.058	10.188	.000

Based on table (4-15), the R^2 indicates how well the data fits the model (Norusis, 2008). The R^2 for this model was .684 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 .595 and about 68% of the variations in organizational overall performance are explained as a result of using strategic planning activities by strategic planner NGO's.

Research Hypothesis 2

In order to test hypothesis 2, regression analysis was conducted to determine whether there was a positive relationship between strategic planning, mission achievement, and organizational change. Results are presented in table (4-16).

Table (4-16): Regression Analysis of Strategic Planning and Organizational Performance Change

Predictor	R²	Beta	Std. Error	T Value	Sig.
Constant			2.601	1.627	.110
Strategic Planning	.684	0.203	0.110	1.853	.070
Mission Achievement	.765	0.895	0.222	4.034	.000

Based on table (4-16), the R² for research hypothesis 2 was .765 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 76.5% of the variation in general organizational performance change can be explained by strategic planning activities and mission achievement. This means that mission achievement alone contributes to explaining about 8% of organizational performance change over strategic planning activities.

Research Hypothesis 3

In order to test hypothesis 3, regression analysis was conducted to determine whether there was a positive relationship between strategic planning, mission achievement, customer processes, and organizational change. Results are presented in table (4-17).

Table (4-17): Regression Analysis of Strategic Planning and Organizational Performance Change

Predictor	R²	Beta	Std. Error	T Value	Sig.
Constant			2.863	3.436	.001
Strategic Planning	.684	0.441	0.104	3.040	.004
Mission Achievement	.765	0.533	0.203	3.814	.000
Customer Process	.813	-.238	0.078	-3.419	.001

Based on table (4-17), the R² for research hypothesis 3 was .813 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 81% 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 Sri Lankan non-government organizations.

Research Hypothesis 4

In order to test hypothesis 4, regression analysis was conducted to determine whether there was a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, and organizational change. Results are presented in table (4-18).

Table (4-18): Regression Analysis of Strategic Planning and Organizational Performance Change

Predictor	R²	Beta	Std. Error	T Value	Sig.
Constant			2.820	3.465	.001
Strategic Planning	.684	.216	.122	1.765	.084
Mission Achievement	.765	.864	.208	4.149	.000
Customer Process	.813	-.370	.102	-3.636	.001
Internal Business Process	.822	.213	.137	1.553	.127

Based on table (4-18), the R² for research hypothesis 4 was .822 and the observed level of significance for the F statistic was .127 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 82% 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 to determine whether there was a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, employee learning and growth, and organizational change. Results are presented in table (4-19).

Table (4-19): Regression Analysis of Strategic Planning and Organizational Performance Change

Predictor	R²	Beta	Std. Error	T Value	Sig.
Constant			2.741	3.355	.002
Strategic Planning	.684	.247	.119	2.076	.044
Mission Achievement	.765	.782	.205	3.809	.000
Customer Process	.813	-.417	.101	-4.130	.000
Internal Business Process	.822	.109	.142	.768	.447
Employee Learning and Growth	.838	.334	.164	2.038	.048

Based on table (4-19), the R² for research hypothesis 5 was .838 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 to determine whether there was a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, employee learning and growth, financial processes and organizational change. Results are presented in table (4-20).

Table (4-20): Regression Analysis of Strategic Planning and Organizational Performance Change

Predictor	R²	Beta	Std. Error	T Value	Sig.
Constant			4.476	2.724	.009
Strategic Planning	.684	.207	.129	1.611	.115
Mission Achievement	.765	.872	.232	3.764	.001
Customer Process	.813	-.431	.103	-4.199	.000
Internal Business Process	.822	.193	.174	1.113	.272
Employee Learning and Growth	.838	.195	.233	.835	.408
Financial Process	.840	-.261	.308	-.848	.401

Based on table (4-20), the R² for research hypothesis 6 was .840 and the observed level of significance for the F statistic was .401 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. Also, beta coefficient for financial process was negative which indicates a negative relationship between financial process and general organizational performance change in Sri Lankan non-government organizations.

Research Hypothesis 7
In order to test hypothesis 7, regression analysis was conducted to determine whether there was a positive relationship between strategic planning, mission achievement, customer processes, internal business processes, employee learning and growth, financial processes, volunteers' development, and organizational change. Results are presented in table (4-21).

Table (4-21): Regression Analysis of Strategic Planning and Organizational Performance Change

Predictor	R²	Beta	Std. Error	T Value	Sig.
Constant			5.234	2.310	.026
Strategic Planning	.684	.210	.158	1.332	.190
Mission Achievement	.765	.868	.253	3.436	.001
Customer Process	.813	-.433	.122	-3.554	.001
Internal Business Process	.822	.192	.181	1.059	.296
Employee Learning and Growth	.838	.198	.250	.790	.434
Financial Process	.840	-.259	.316	-.818	.418
Volunteers' Development	.840	.005	.129	.038	.970

Based on table (4-21), the R² for research hypothesis 7 was .840 and the observed level of significance for the F statistic was .970 which is greater than an alpha of .05 with a 95% confidence interval. Thus, the null

hypothesis cannot be rejected and research hypothesis 7 is not supported. Accordingly, 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, 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.

5. Discussion, Conclusions, and Recommendations

5.1. Main Research Findings
Based on the results of the descriptive analysis of the investigated NGO's, it was found that the Sri Lankan training and educational NG's sector is highly fragmented and many of them provide services in multiple sectors. Female leadership was relatively misrepresented because 70% of management was represented by men compared to 30% of women. Also, there was a lack of youth leadership in the management of these NGO's, majority of managers were either between 41 and 60 years or above 60 years old. This represents a great hindrance on the improvement and progress of their respective organizations given the challenges brought about by competing in the 21st century. An adequate percentage of them perform environmental assessment and a very few percentage use the help of outside consultants due to financial constraints. On the other hand, majority of non-strategic planner NGO's suffered lack of both resources and time to support their inclination to apply formal strategic planning protocols.

The results of the analysis support and reinforce the role of strategic planning on performance effectiveness of NGO'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). However, no statistically significant difference was revealed on the financial processes and volunteers development domain between strategic and non strategic planning nonprofits. This can be interpreted due to the financial and economic pressures imposed on the survival of Sri Lankan NGO's which compel them to adhere to the maximum levels of financial efficiency. 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 four out of seven hypotheses were supported based on the results of hypotheses testing presented earlier.

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

5.2.1. Theoretical Implications
1. Contribute to the theoretical argument and previous knowledge concerned with the important role of strategic planning in the management of NGO's.
2. Enrich the extant body of knowledge with the current status of NGO's strategic management practices especially in developing countries like Sri Lanka.
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.

5.2.2. Practical Implications
1. Communicate the important role of strategic management protocols on NGO's 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 NGO's.
2. Introduce the modified balanced scorecard to the public and NGO's in Sri Lanka 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.

5.3. Limitations of the research
1. Scope limitations due to the inability to distinguish the various models of strategic planning used by NGO's 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. The difficulties faced by the researcher during the data collection period which has occurred within a very politically intense period and there was a generalized level of fear to submit any information about the civil society organizations working in Sri Lanka. Respondents were very reluctant to supply information about their operating budgets, donors' funding …etc.

3. Limiting the measurement of performance effectiveness to mission achievement. Other measures of performance effectiveness in the NGO's sector can include sustainability, market leadership, input-output ratios, and other efficiency indicators.

5.4. Recommendations

The training and educational NGO's sector in Sri Lanka is highly fragmented and lacks the formal means necessary for effective performance reporting. Thus, the Sri Lanka government has to activate the role of the ministry of social affairs, as a solid regulatory body, in overseeing the role and supporting the needs of NGO's. The ministry of social affairs has to offer more professional training for the managers of NGO's on how to use formal strategic planning protocols into their strategic management agenda. The ministry has a responsibility to offer them the technical and financial support needed. This will allow them to build their respective capacities and respond more effectively to rising accountability demands. This is because the BSC has proven to be effective in promoting for improved accountability, effectiveness, and success in the NGO's sector (Franklin, 2011). The ministry of defense has to find some ways for mutual cooperation and coordination among NGO's in providing the various public services needed by the society. This would overcome the lack of cooperation and overlap in service provision that currently characterize most of the NGO's operating in Sri Lanka. Stone, Bigelow, and Crittenden, 1999 discussed two types of strategies that can be used in NGO's. These are cooperative and competitive strategies. They argued that the former results in increased financial returns whereas the latter results in reduced employees' morale and displacement of goals. On the other hand, more inclusion of women and youth leadership should be encouraged and promoted through the managerial development of both Sri Lankan women and youth potentials.

5.5. Suggestions for Future Research

Future research can be designed to overcome the limitations encountered in the current the research.

The following are some guidelines for further research in the area of strategic management in NGO's.

1. Future research can examine the primary impediments to utilizing both strategic planning protocol in the management of NGO's and the balanced scorecard for performance effectiveness assessment.

2. Further research can examine and analyze the impact of different strategic planning models on improving NGO's performance effectiveness. Based on this analysis, practical recommendations can be given on what are the strategic planning models that best suit the nature of NGO's in Sri Lanka.

3. Further research can apply a mixed methods approach for this scientific inquiry. For example, the inquiry can start by a qualitative phase represented by interviewing each stakeholder group (customers, employees, financial executives, board members, and volunteers) respectively, in order to better reflect their own perceptions about and assessment of performance effectiveness of their organizations. This can add more insights on how to further develop the survey to be used in the second quantitative phase.

4. Further research can examine the impact of other intervening variables like the quality of management, their level of education, and the number of years in tenure on the correlation between strategic planning and performance effectiveness of NGO's.

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