

**M7002**

## **Study on relationship between project management and organizational efficacy in nonprofit organizations**

I-Chan Kao<sup>1</sup>

<sup>1</sup> *General Education Center, Open University of Kaohsiung, Kaohsiung 812, Taiwan, ROC.*

### **Abstract**

This study treats the members in nonprofit organizations (NPOs) as subjects, and explores the origination, planning, control, and completion of project management in NPOs, as well as the general performance of organizational efficacy, such as environmental satisfaction, organizational atmosphere, operational performance, job engagement, and work quality. It also probes into the relationship and effect. By various research methods, such as literature review and questionnaire survey, this study attempts to determine if project management in NPOs can significantly enhance organizational efficacy. This study finds that different NPOs have significant differences in the general performance of project management and organizational efficacy. When the performance of project management in NPOs is more significant, organizational efficacy is higher. Project management in NPOs has a significant path relationship to organizational efficacy; therefore, reinforcement of vocational training in the project management of NPOs could improve performance, which would have significant effect on enhancing organizational efficacy.

**Keywords:** nonprofit organizations, project management, organizational efficacy.

### **Research Purposes**

1. To recognize the implications of NPO project management and organizational efficiency.
2. To explore general performance of project management and organizational efficiency of NPO with different backgrounds.
3. To analyze the path relationship between NPO project management competence and organizational effectiveness.
4. According to the research findings, this study proposes suggestions to enhance NPO project management competence performance and organizational effectiveness as reference for NPO's to strengthen their project management competence and organizational effectiveness.

### **Research Method**

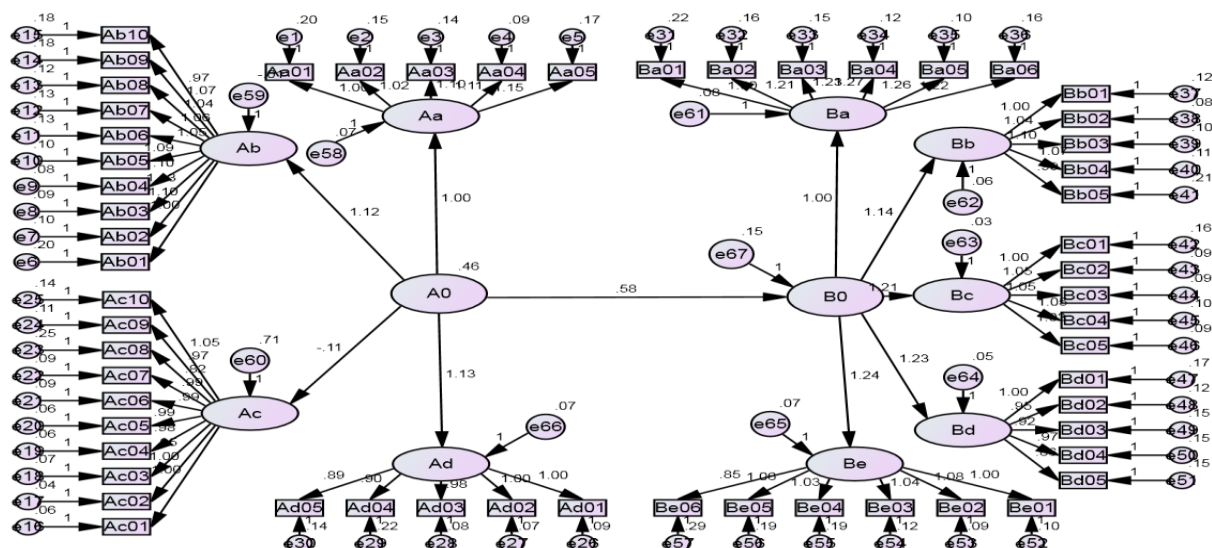
By literature review, this study collects books, journals, magazines, and papers associated with NPO's project management, and organizational effectiveness, and analyses them to obtain the basic concepts. Secondly, it generalizes the related literature and suggestions of scholars and experts of research and practice on NPOs, project management, and organizational effectiveness, and edits the *questionnaire on general NPO project management and organizational efficiency*. This study adopts questionnaire survey to investigate the on-the-job adult students of the Open University of Kaohsiung that have participated in NPO activities. Through questionnaire collection and statistical analysis, this study explores the subjects' perceptions of the current performances of NPO project management and organizational efficiency. The questionnaires of this study are completed as both written and online questionnaires.

### **Research Framework**

Operations of the research framework are based on statistical analysis, such as t test and one-way ANOVA, to conduct difference comparison analysis of subjects' personal background variables on project management variables and the outcome variables of organizational effectiveness; secondly, by path analysis of Structural Equation Modeling (SEM), it probes into the path relation between subjects' operational variables of project management and the outcome variables of organizational effectiveness; finally, based on the research findings, this study states that NPOs properly apply project management to effectively enhance efficacy in order to accomplish organizational objectives and visions.

### **Research Results**

This study integrates the stratified factors of NPO project management, project initiation, project planning, project control and project closing, and stratified factors of environment satisfaction, organizational climate, operational performance, job engagement, and job quality of NPO efficacy for Confirmatory Factor Analysis of Structural Equation Modeling and path relation analysis. The analytical results are shown in Figure 1.



**Figure 1.** Statistical model and path relation between NPO project management and organizational efficiency.

## Conclusion and Suggestions

Based on the research findings, this study generalizes the following conclusions. First, regarding NPO members' cognitive differences of personal background variables, NPO female members' project management performance and organizational effectiveness perception are superior to male members. NPO members who have received project management training are superior to those who never received project management training in terms of project management performance and organizational effectiveness perception; NPO members graduated from graduate school are superior to those graduated from university, college, senior high school, or vocational school in terms of project management performance and organizational effectiveness perception; subjects in NPO with the job title of "Member" are superior to those with the job title of "Responsible person" in terms of project initiation performance and perception of satisfaction with organizational environment; NPOs with organizational history within 10 years is superior to that founded within 1 year in terms of perception of organizational job quality. Secondly, there is a path relation between NPO project management and organizational effectiveness.

Based on previous conclusions, this study proposes suggestions for NPO operations and management, as follows. First, it should actively plan project management competence training for NPO male members in order to reinforce the executive outcome of project management and strengthen NPO operational efficacy. NPOs should introduce project management competence training as the occupational training course for organizational members' professional advanced study. It should encourage NPO members to actively study courses in graduate school programs, in order to enhance their professional knowledge, particularly the advanced study of professional degrees in project management and organizational effectiveness, in order to enhance the performance of NPO project management and organizational efficiency; NPO owners should actively participate in project management competence training in order to fulfill organizational missions and positions, vision construction, strategic planning, goal setting, program design, process improvement, value creation, performance reinforcement, and sustainable operation, and lead members to demonstrate NPO functions, such as development and innovation, reform and promotion, value maintenance, service offering, and expansion of social participation; newly founded NPOs should enhance organizational members' project management competence, mastery to cope with affairs, proper use of various resources to increase job efficiency, and active and effective holding of the presentations of business outcomes, in order to upgrade the efficacy of job quality. Secondly, NPOs should actively reinforce organizational members' project management competence, such as project initiation, planning, control, and closing to strengthen the organizational effectiveness of environment satisfaction, organizational climate, operational performance, job engagement, and job quality, in order to effectively accomplish organizational missions and visions.

## References

- I. C. Kao, A study on the development of the "Taiwan project management competence scale" MATEC Web of Conferences **119**, 01037 (2017) DOI: 10.1051/mateconf/2017119010
- K. Y. Chen, C. H. Wang, *Thesis statistical analysis practice SPSS and operation of AMOS* (Wu Nan Books, Taipei, 2011)
- L. L. Chin, Chinese NPO and project management, Journal of Beijing Technology and Business University (version of social science), **20**(6), 63-67(2005)
- M. DiPaola and W. K. Hoy, *Improving Instruction Through Supervision, Evaluation, and Professional Development* (Charlotte, USA, 2014)
- R. D. Anthony, D.W. Young, *Management control in Nonprofit organization* (Irwin Series in Graduate Accounting) (5th ed.), Richard D. Irwin, INC: 47(1993)