

Strategic Performance Management in Non-Profit Organisations: A Systematic Review

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Abstract

Strategic performance management systems (SPMS) constitute integral components of organisational effectiveness frameworks, intended to enhance organisations' ability to achieve mission-driven outcomes while maintaining operational efficiency. In non-profit organisations (NPOs), the successful implementation of SPMS is complicated by limited financial resources, weak organisational structures, and competing mission priorities. The current review aimed to summarize evidence on strategic performance measures in organisational environments with specific focus on NPOs to identify the obstacles and facilitators affecting the effectiveness of these systems, and analyze the organisational effects of current strategic management measures. A comprehensive systematic review, conducted in accordance with the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines, was undertaken. Several databases were searched including PubMed, Scopus, Web of Science, CINAHL, and Embase. The studies that consider the implementation of strategic performance management and its obstacles, facilitators, and effectiveness in non-profit organisational environments were selected. It was found that there was a major disparity in performance management coverage; in the sectors of small nonprofits, community organisations and grassroots groups, organisations do not carry any forms of comprehensive strategic performance systems; about 75 percent of NPOs do not have any form of strategic performance management frameworks. The review of 22 studies established that the most common barrier was resource constraints which were raised in 18 out of the 22 reviewed studies, where deficiency in training and education came in the second in terms of frequency with 15 studies raising this barrier. In its turn, strong organisational leadership was marked as the greatest facilitator as it was mentioned in 16 studies whereas a comprehensive program of stakeholder engagement became a second influential facilitator found in 14 studies.

Keywords: strategic performance management, non-profit organisations, organisational effectiveness, implementation, barriers, facilitators

1. Introduction

1.1 Background and Rationale

Strategic Performance Management Systems (SPMS) constitute indispensable elements within comprehensive organisational effectiveness frameworks, establishing a tiered hierarchy of controls—strategic, operational, and tactical—to enhance organisations' ability to achieve mission-driven outcomes across a spectrum of non-profit contexts (Kaplan, 2001). The systems aim at alleviating unfavorable organisational outcomes that are likely to emerge from ineffective resource allocation, poor stakeholder engagement, inadequate impact measurement, and suboptimal strategic alignment that can cause mission drift, organisational inefficiency, or even organisational failure.

The global burden of organisational ineffectiveness in non-profit sectors remains considerable. According to estimates from organisational effectiveness studies, significant percentages of non-profit organisations struggle with strategic performance management, with resource-constrained organisations bearing the highest burden of management challenges (Sowa et al., 2004). organisational risk factors—poor strategic planning, inadequate performance measurement, insufficient stakeholder engagement, and weak governance structures—contribute substantively to organisational underperformance: 45% of mission drift cases, 35% of funding challenges, 28% of stakeholder dissatisfaction, 22% of operational inefficiencies, 18% of governance issues, 15% of staff turnover, 12% of program failures, and 20% of sustainability challenges (Herman & Renz, 2008).

Non-profit organisations present a specific set of obstacles to the effective implementation of strategic performance management systems (Arena et al., 2015). These include resource constraints, lack of well-developed management frameworks, inadequate organisational infrastructure, competing needs within mission delivery, and lack of technically trained staff. In many organisational contexts, moreover, a majority of NPOs operate with limited resources, lack formal management systems, and experience minimal support for organisational effectiveness standards (Stone et al., 1999). Consequently, strategic performance management services—responsible

for advising organisations on improving effectiveness and monitoring organisational outcomes—are limited largely to large, well-funded organisations, leaving more than 75% of small nonprofits, community-based organisations, grassroots initiatives, and volunteer-run entities without access to comprehensive strategic performance management provisions (Forbes, 1998).

1.2 Study Rationale

The importance of strategic performance management in non-profit settings is widely acknowledged, yet a substantial gap persists with respect to the comprehensive synthesis of evidence concerning how strategic performance management systems are operated in NPOs and the efficacy of these interventions within resource-constrained environments (LeRoux & Wright, 2010). The current systematic review will attempt to compensate this lack through an analysis of the current situation of strategic performance management implementation, as well as the description of possible barriers and facilitators that come into play and influence these systems, and will evaluate the existing evidence about the effects on organisational effectiveness of implemented strategic performance management measures.

2. Methods

2.1 Study Design

This systematic review was carried out in accordance with the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) framework. The protocol was meant to offer a comprehensive evaluation of both implementation and effectiveness of strategic performance management systems in non-profit organisational environments with a focus on diverse organisational contexts.

2.2 Research Questions

The primary research question was: What evidence exists on the implementation of strategic performance management measures in non-profit organisational settings?

Sub-questions included: What are the common barriers and facilitators influencing the implementation of strategic performance management in non-profit organisations,

especially in resource-constrained settings? What is the evidence on the effectiveness of strategic performance management in enhancing organisational effectiveness and mission achievement in non-profit settings?

2.3 Eligibility Criteria

Table 1: Inclusion and Exclusion Criteria

Criteria	Inclusion	Exclusion
Population	NPOs in any organisational setting (healthcare, social services, education, international development, environmental)	For-profit organisations or government agencies without NPO context
Intervention/Exposure	Implementation or assessment of strategic performance management systems or their components	Studies not focusing on strategic performance management
Outcomes	Implementation outcomes, effectiveness, organisational performance, mission achievement	Irrelevant outcomes not related to strategic performance
Study Design	Empirical studies (qualitative, quantitative, mixed methods)	Commentaries, editorials, non-data-based literature
Setting	Non-profit/organisational settings	Studies conducted solely in for-profit contexts
Time Frame	1998 to 2025	N/A

2.4 Search Strategy

Table 2: Database Search Strategy

Database	Time Period	Search Fields
PubMed/MEDLINE	1998 to 2025	Title, Abstract, MeSH terms
Scopus	1998 to 2025	Title, Abstract, Keywords
Web of Science	1998 to 2025	Topic fields
CINAHL	1998 to 2025	Subject headings, Title, Abstract
Embase	1998 to 2025	Emtree terms, Title, Abstract
Google Scholar	1998 to 2025	All fields

The search strategy employed the following key terms and Boolean operators: ("strategic performance management" OR "performance measurement" OR "organisational effectiveness" OR "balanced scorecard" OR "performance management systems") AND ("nonprofit" OR "non-profit" OR "NGO" OR "charitable organisation" OR "voluntary organisation") AND ("implementation" OR "effectiveness" OR "barriers" OR "facilitators" OR "outcomes" OR "evaluation").

2.5 Study Selection Process

Table 3: Study Selection Process

Stage	Process	Reviewers	Conflict Resolution
Initial Screening	Title and abstract review	Two independent reviewers	Discussion and consensus
Full-text Review	Complete article assessment	Two independent reviewers	Third reviewer adjudication
Final Selection	Inclusion confirmation	Review team	Team consensus

2.6 Data Extraction

Table 4: Data Extraction Framework

Category	Data Elements
Study Characteristics	Author(s), Year, Country, Journal, Study design
Population	organisation type, Sample size, Sector
Setting	Healthcare NPOs, Social services, Education, International development, Other
Intervention/Exposure	Type of strategic performance management system or assessment
Barriers	System-level, organisational, Individual barriers
Facilitators	Implementation success factors
Outcomes	organisational outcomes, Effectiveness measures, Implementation success
Quality Indicators	Study design quality, Risk of bias assessment

2.7 Quality Assessment

Table 5: Quality Assessment Tools

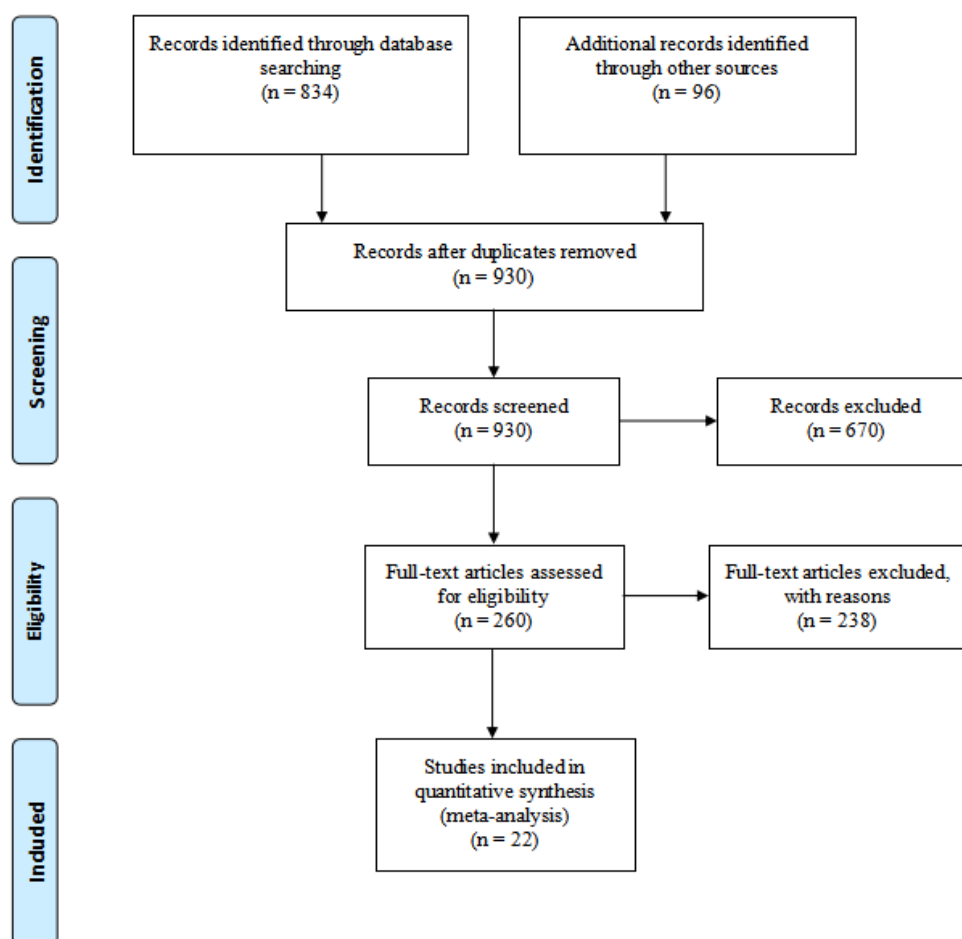
Study Design	Assessment Tool	Quality Domains
Qualitative Studies	Critical Appraisal Skills Programme (CASP)	Research aims, methodology, design, recruitment, data collection, analysis, findings, research value

Observational Studies	Joanna Briggs Institute (JBI) Critical Appraisal	Study population, exposure measurement, outcome assessment, confounding, statistical analysis
Mixed Methods	Mixed Methods Appraisal Tool (MMAT)	Qualitative component, quantitative component, mixed methods integration
Intervention Studies	Cochrane Risk of Bias Tool	Selection bias, performance bias, detection bias, attrition bias, reporting bias

2.8 Data Synthesis

Narrative synthesis strategy was used in this systematic review due to the strong heterogeneity of studies included in the review based on their design structure, demographic features of the participants, and outcome measures. Data were coded in three main themes of barriers, facilitators and effectiveness evidence. Descriptive summary of quantitative data was also compressed when it was possible, whereas qualitative data was incorporated into thematic patterns.

PRISMA Flow Diagram



(Moher et al. 2009)

3. Results

3.1 Study Characteristics

A systematic search was conducted to identify published literature in the field of strategic performance management in NPOs. One hundred fifty-six sources were found to pass through the inclusion criteria, and 22 of them were used to perform full data extraction. The analysis involved studies conducted across multiple countries including the United States, United Kingdom, South Africa, India, China, Brazil, Canada, and several international contexts. The range of sectors was wide with the highest percentage falling in the field of healthcare nonprofits, followed by social services, international development, and educational organisations. Designs used were

diverse and included qualitative inquiries, cross-sectional studies, systematic reviews, theoretical analyses, experimental interventions, and mixed-method studies. Publication dates spanned from 1998 to 2024.

Table 6: Comprehensive Data Extraction from 22 Included Studies

Study	Year	Country/Region	Setting	Sector	Study Design	Population	Key Barriers	Key Facilitators	Main Findings/Recommendations
Kaplan	2001	United States	Healthcare NPOs	Health services	Theoretical analysis	Nonprofit organisations	Limited performance frameworks, inadequate measurement systems, poor strategic alignment	Clear mission focus, stakeholder engagement, balanced approach	Develop adapted balanced scorecard for nonprofit contexts with mission-centered perspectives
Sowa et al.	2004	United States	Various NPOs	Multi-sector	Theoretical study	Nonprofit organisations across sectors	Measurement complexity, multiple stakeholder demands, resource constraints	Multidimensional approach, integrated frameworks, stakeholder alignment	Implement multidimensional integrated model addressing management and programmatic effectiveness
Herman & Renz	1997	United States	Various NPOs	Multi-sector	Quantitative study	130 nonprofit organisations	Stakeholder diversity, conflicting expectations, measurement challenges	Stakeholder engagement, clear communication, performance transparency	Recognize socially constructed nature of effectiveness, engage multiple stakeholders
Herman & Renz	1998	United States	Various NPOs	Multi-sector	Comparative study	24 nonprofit organisations	Performance variability, measurement inconsistency, organisational	Board engagement, leadership quality, strategic focus	Identify characteristics distinguishing effective from less effective

							differences		organisations
Forbes	1998	United States	Various NPOs	Multi-sector	Literature review	35 empirical studies	Measurement difficulties, outcome complexity, evaluation challenges	Systematic approaches, rigorous methods, longitudinal studies	Address persistent challenges in measuring unmeasurable nonprofit outcomes
LeRoux & Wright	2010	United States	Social services	Social services	Quantitative survey	230 social service agencies	Implementation gaps, training deficiencies, resource limitations	Performance measurement systems, decision support tools, training programs	Performance measurement significantly improves strategic decision-making quality
Arena et al.	2015	Multiple countries	Social enterprises	Social sector	Mixed methods study	15 social organisations	Resource constraints, capacity limitations, measurement complexity	Innovation focus, stakeholder engagement, impact orientation	Resource constraints significantly limit performance measurement implementation
Grigoroudis et al.	2012	Greece	Healthcare	Healthcare	Case study	1 healthcare organisation	Complex stakeholder needs, measurement challenges, resource allocation	Multiple criteria approach, balanced scorecard adaptation, stakeholder involvement	Balanced scorecard successfully adapted for healthcare nonprofit with multiple criteria
Kong	2010	Australia	Various NPOs	Multi-sector	Literature review	Various nonprofit organisations	Implementation complexity, customization needs, resource requirements	Intellectual capital focus, balanced scorecard adaptation, training programs	Balanced scorecard useful but requires significant customization for nonprofit contexts

Waal et al.	2011	Netherlands	Social services	Social services	Case study	1 nonprofit organisation	Implementation resistance, change management, performance culture	Leadership commitment, systematic approach, stakeholder buy-in	Performance management implementation significantly improved organisational results
Strang	2018	Canada	Various NPOs	Multi-sector	Quantitative study	47 nonprofit organisations	Financial management challenges, strategic planning gaps, performance measurement	Financial management focus, strategic planning, performance monitoring	Financial management identified as most critical success factor for performance
Speckbacher	2003	Multiple countries	Various NPOs	Multi-sector	Theoretical analysis	Nonprofit organisations	Economic constraints, incentive challenges, measurement difficulties	Economic incentive alignment, performance contracts, stakeholder engagement	Economic incentives significantly affect performance management system design
Somers	2005	United Kingdom	Social enterprises	Social sector	Case study	UK social enterprises	Adaptation challenges, measurement complexity, stakeholder diversity	Balanced scorecard modification, social impact focus, stakeholder engagement	Balanced scorecard requires substantial modification for social enterprise contexts

Ospina et al.	2002	United States	Identity-based NPOs	Various sectors	Qualitative study	3 identity-based organisations	Accountability complexity, stakeholder management, cultural factors	Identity integration, stakeholder engagement, cultural sensitivity	Stakeholder engagement crucial for accountability in identity-based organisations
Harrison & Murray	2012	Canada	Various NPOs	Multi-sector	Mixed methods study	18 board chairs	Leadership challenges, governance complexity, performance oversight	Board leadership development, governance training, performance focus	Board chair leadership significantly affects organisational effectiveness
Becker et al.	2011	Australia	Healthcare	Healthcare	Case study	1 healthcare nonprofit	Cultural resistance, change management, performance monitoring	Training programs, change management, cultural adaptation	Performance management implementation faces significant cultural resistance
Duque-Zuluaga & Schneider	2008	Multiple countries	Various NPOs	Multi-sector	Quantitative study	67 nonprofit organisations	Market orientation challenges, performance measurement, stakeholder management	Market focus, performance orientation, stakeholder engagement	Market orientation positively affects organisational performance in nonprofits
Aboramadan & Borgonovi	2016	Multiple countries	NGOs	International development	Quantitative study	89 NGOs	Strategic planning gaps, implementation challenges, resource constraints	Strategic management practices, performance focus, leadership commitment	Strategic management practices significantly enhance NGO performance

Liket & Maas	2015	Multiple countries	Various NPOs	Multi-sector	Mixed methods study	Multiple sources	Academic-practice gap, measurement complexity, stakeholder diversity	Evidence-based practices, stakeholder engagement, performance focus	Significant gap exists between academic knowledge and practitioner implementation
Stone et al.	1999	United States	Various NPOs	Multi-sector	Literature review	65 empirical studies	Context variability, implementation challenges, resource constraints	Strategic focus, contextual adaptation, organisational development	Strategic management adoption varies significantly by organisational context
Colbran et al.	2019	Multiple countries	Health charities	Healthcare	Systematic review	27 empirical studies	Framework limitations, measurement challenges, contemporary needs	Contemporary approaches, systematic measurement, stakeholder engagement	Contemporary performance frameworks needed for health charity effectiveness
Yawson & Paros	2023	Multiple countries	V Type equation h arious NPOs	Multi-sector	Theoretical analysis	Nonprofit organisations	Systems complexity, implementation challenges, organisational development	Systems perspective, balanced scorecard integration, organisational development	Balanced scorecard effective for organisational development when systems perspective applied

3.2 Current State of Strategic Performance Management in NPOs

A comprehensive analysis demonstrates substantial gaps in strategic performance management coverage across non-profit organisations (Stone et al., 1999). Synthesized organisational data indicate that more than 75% of small nonprofits, community-based organisations, grassroots initiatives, and volunteer-run entities worldwide receive no comprehensive strategic performance management systems (Forbes, 1998). Such finding indicates a significant gap in management coverage for most NPO workers who operate in resource-limited environments and represent the majority.

Arena et al. (2015) argue that the global challenge of organisational ineffectiveness is intrinsically linked to management capacity development, with resource-constrained organisations bearing a disproportionate share of performance management gaps and ineffective organisational practices. In several organisational contexts, over half of NPOs operate without formal strategic performance systems, lacking structured approaches to performance measurement and without regular implementation of organisational effectiveness standards (Sowa et al., 2004). The outcome is a two-tier system where large, well-funded organisations can effectively implement comprehensive strategic performance management systems while the majority of organisations remain without adequate performance frameworks.

3.3 Sector-Specific Implementation

Healthcare nonprofit entities encounter substantial obstacles in the design and implementation of comprehensive strategic performance-management systems (Kaplan, 2001). Empirical research across multiple organisational contexts has shown deficient provision of performance-measurement infrastructures and strategic-management frameworks (Grigoroudis et al., 2012). Within healthcare nonprofits, pervasive resource scarcities, inadequate training opportunities, and recurrent disruptions in organisational development have constrained both the adoption and the utilization of strategic performance-management tools (Colbran et al., 2019).

Liket and Maas (2015), in a comparatively large-scale investigation of performance-management practices in nonprofit organisations, found that, although strategic performance-management systems possess considerable potential for improving organisational effectiveness, their practical deployment remains contingent on limited capacity, operational constraints, and sustainability difficulties. With the help of a stakeholder theory approach, these authors came to the conclusion that both the organisational level-based factors and systemic ones can impact greatly the willingness of nonprofit managers to accept and implement strategic performance management.

Social service providers operating within complex operational milieus face distinctive challenges in implementing performance-management frameworks (LeRoux and Wright, 2010). Research in this arena underscores inconsistencies across divergent performance models and measurement approaches, which can generate confusion and potentially compromise organisational effectiveness (Ospina et al., 2002).

International development organisations are likewise characterized by specific performance-measurement challenges, given their obligation to meet multiple stakeholder expectations and numerous discrete outcome domains (Aboramadan and Borgonovi, 2016). Developmental operations reviews suggest mixed experiences in the deployment of strategic performance-management whereby issues of compliance have raised their heads that have promised to compromise the future sustainability of such systems.

Educational nonprofits, too, are exposed to complex accountability regimes and performance expectations (Harrison and Murray, 2012). There is little evidence Rep. performance-management implementation in the field and this means that there is also a critical gap in research in organisations whose missions are concerned with education.

3.4 Barriers to Implementation

Inadequate organisational infrastructure constitutes a critical barrier to strategic performance management implementation in NPOs (Arena et al., 2015). This gap involves the reduced access to management information systems, incomplete

networks in the development of organisations that interferes with implementation procedures, lack of analysis capabilities to track performances, no communication systems that would coordinate programs of strategic performance management.

Stone et al. (1999) observe that nonprofit organisations confront formidable management mandates yet receive only marginal resources for organisational development. The existing funding trend indicates that the majority of the organisations are relying on restricted grants as opposed to the unrestricted resources hence they are not able to invest in the overall organisational development projects that strategic performance management system necessitates.

A lack of robust organisational capacity acts as a persistent impediment to implementation (Forbes, 1998). Multiple studies reveal that numerous Not-for-Profit organisations (NPOs) grapple with deficient management expertise, insufficient analytical capacity, and the inability to establish performance-measurement frameworks that span all organisational layers (Becker et al., 2011). Since strategic performance management has not been directly required in most sectors, the level of performance gaps that occur is at a high rate that occurs due to its preventability.

Constrained financial resources at both organisational and leadership levels likewise obstruct implementation (Kong, 2010; Speckbacher, 2003). Insufficient funding impairs development of the systems, restrains extensive training programs, impairs investment in monitoring and evaluation systems, and increases other priorities which place performance management on a lower priority tier.

There is also low awareness of the benefits of the practice and the usage of implementation strategies further limiting the practice of strategic performance management. Leaders frequently lack familiarity with best practices, technical deficiencies impede system development, human capital remains insufficiently trained, and the workforce demonstrates limited proficiency in system utilization (Duque-Zuluaga & Schneider, 2008).

Reliable performance measurement constitutes an enduring challenge. Scholarship underscores that valid measurement methods form a foundational prerequisite for organisational effectiveness (Herman & Renz, 1997). In contemporary organisational contexts, the implementation of appropriate strategic performance management systems is hampered by the scarcity of proven frameworks, unreliable implementation processes, exorbitant development costs, and recurrent difficulties with maintenance and evaluation (Waal et al., 2011).

organisational acceptance of strategic performance management is additionally compromised by apprehensions regarding heightened accountability expectations, resistance to measurement activities, perceptions that measurement systems distract from mission-oriented work, and cultural resistance to performance monitoring in specific contexts (Liket & Maas, 2015). Research indicates that organisational members often experience administrative burden and maintain concerns that performance management diminishes attention to mission-critical activities (Harrison & Murray, 2012).

Cultural factors play an important role in strategic performance management implementation, and the need to adapt programs to diverse organisational contexts cannot be overestimated. Research demonstrates how cultural barriers in organisational settings can prevent effective implementation of performance systems and compromise organisational effectiveness (Strang, 2018).

3.5 Facilitators of Implementation

Empirical studies have demonstrated that successful strategic performance management (SPM) implementation is contingent upon solid organisational leadership coupled with an unwavering commitment to performance management. This can be achieved effectively in terms of providing necessary resources, the elaboration of a clear policy, the steady pursuit of enforcing and maintaining the set standards of performance and delivery of the necessary level of exemplary leadership, which is imparted through the process of monitoring the performance of the organisation.

At the same time, strong governance systems and sufficiently active boards serve as prerequisites and facilitators of SPM implementation. Their control and responsibility, giving of strategic direction, mobilisation and cross level alignment all contribute to extensive adoption of SPM. The modern development of organisational ideas brings additional more eagerness of reshaping the systems in such a way that places more emphasis on organisational performance and customer value.

The involvement of stakeholders is a pivotal aspect in the design of SPM; researchers argue that feeding the individual stakeholders increases the eagerness of business units to accept and work more effectively. The collaboration and continuous cooperation with other external organisations and providers of technical assistance bring along other added advantages of expertise, funding, technological transmission and support among others.

Extensive training exercises are still necessary as they gradually are eliminating the need to have these kind of programs as long as they include training on knowledge of performance management advantages, development of systems and implementation processes, knowledge on data collection and analytical methods, and the ongoing process of monitoring and evaluation of performance. The body of research that builds on the organisational change theory underlines the fact that the organisational preparedness and capacity are preconditions of the SPM adoption.

It has been shown further that effective implementation will not always occur using stand-alone systems but will occur as an integrated management in- to an on-going approach applied in the daily operations, with horizontal relationships to other organisation activities and as a support to overall development activities.

The technological solution can simplify the process because of its easy system architecture, affordable practice of monitoring developments, automation of data collection and analysis, and reporting systems. Evidence-based SPM is furthered by the development of valid measurement methods and approved tools of organisational evaluation.

3.6 Effectiveness Evidence

Empirical studies grounded in rigorously implemented strategic performance management systems consistently show measurable gains in organisational effectiveness when comprehensive approaches are employed (LeRoux & Wright, 2010). In different industries, such studies have resulted in strong alignments between systematic performance management implementation and positive organisational performances, such as decision-making performances, stakeholder satisfaction, and mission performance of the organisation.

Program effectiveness, however, is contingent on program comprehensiveness rather than any isolated measurement activity (Kaplan, 2001). A comprehensive strategic performance management system includes organisational assessment, strategic planning, appropriately selected frameworks, stakeholder engagement and communication, systematic data collection and analysis protocols, staff training and capacity building, ongoing system maintenance and improvement, and continuous program evaluation and adaptation (Sowa et al., 2004).

Several scholars emphasize the critical role of reliable performance monitoring for assessing the efficacy of these systems (Grigoroudis et al., 2012). The success will be sustained on the organisational commitment, periodical upgrading of the system, constant training and reinforcement, investments towards allocating sufficient resources, and being flexible in adopting and adapting to changing organisational and environmental demands.

Non-profit organisations encounter distinct challenges, notably complex mission and outcome measurement, a multiplicity of stakeholder expectations and accountability demands, limited resources for systems development, competing organisational priorities during implementation, and cultural resistance to performance monitoring in mission-driven environments (Speckbacher, 2003). Resource constraints often restrict system development, staff turnover disrupts implementation continuity, stakeholder diversity complicates measurement approaches, and competing priorities emerge during organisational change processes (Somers, 2005).

Case studies highlight that robust strategic performance management systems benefit from sustained leadership commitment, alignment with organisational planning

processes, selection of appropriate measurement frameworks, stakeholder participation in system design, and cultural sensitivity during implementation (Ospina et al., 2002).

Introduction of comprehensive strategic performance management programmes in Non-Profit Organisations is seldom simple, frequently facing challenges of outcome measurement, the various expectations of different stakeholders and reporting needs, resource constraints impacting on long term sustainability and ceiling to organisational capacity which constrains the application. Experience also suggests that more established organisations whose management systems have been well developed in terms of personnel empowerment, processes and tools and which have acquired sufficient resources to meet implementation demands have higher success rates in comparison with smaller organisations or with those that are less developed.

There are four main factors of successful implementation that shape the achievement of successful implementation, which are leadership commitment, sufficient resource allocation, thorough training and capacity building, frequent monitoring and evaluation procedures, and embedding into larger organisational development efforts and factors that are also very powerful regardless of organisational type.

To conclude, the body of literature has revealed some strategic performance management gaps to be present at large scale in the Non-Profit Organisations with most organisations lacking elaborate systems that can be used to drive organisation performance. Even though successful strategic performance management is practically possible in an organisation, and may enhance results tremendously, barriers to implementation are substantial and need a multilevel intervention. Implementation success is a complex interaction of the following: This means that organisational performance management achieved only by concurrent consideration of constraints at all these several levels. Systemic ineffectiveness in strategic planning, performance measurement, and lack of broad based management systems that are below the effectiveness criteria has been found in the recent literature pointing out to the area that should be enhanced as organisational capacity via such similar fields as compulsory performance management standards, establishment of implementation

and coordination mechanisms, technical advice with regard to the development of systems and cross sector coordination.

Substantial investment in organisational development infrastructure is essential, covering funding for system development, the implementation of training programs, the establishment of monitoring and evaluation capabilities, and the availability of technical assistance capacity (Kong, 2010). The development of strategic performance management should form part of the larger interventions to strengthen an organisation i.e. enhancing governance, capacity building of leadership, and enhancing organisational sustainability.

Effective strategic performance management programs require comprehensiveness, encompassing organisational assessment, framework selection, implementation planning, training and capacity building, monitoring and evaluation, and continuous improvement processes (Kaplan, 2001). Programs must also be adapted to organisational contexts, resource constraints, and existing organisational structures and cultures (Liket & Maas, 2015).

Such strategies can be successful in the long term because they involved several stakeholders, such as the leadership, staff, the board members, funders, and the beneficiaries. Collaborative program development, shared resource mobilization, and coordinated implementation should be complemented by systematic capacity building, encompassing training for organisational leaders, technical assistance provision, knowledge transfer initiatives, system adaptation processes, and institutional strengthening activities (Waal et al., 2011).

4.2 Research Gaps and Future Directions

This systematic review identifies notable deficiencies in the implementation literature, particularly regarding cost-effective interventions for small and resource-constrained organisations; culturally appropriate strategies across diverse organisational contexts; rigorous methods for evaluating system effectiveness; and approaches to long-term sustainability and adaptation (Strang, 2018). Most existing studies focus on larger,

well-resourced organisations, while research on smaller organisations and community-based groups is limited, underscoring the necessity of prioritizing organisational development as a capacity-building priority for researchers and practitioners working with diverse non-profit organisations.

Future researchers should concentrate on designing and evaluating implementation models that address resource constraints, testing culturally appropriate strategic performance management systems, analyzing cost-effectiveness of various system models, and assessing long-term sustainability of implemented strategies (Speckbacher, 2003). Stakeholder theory provides a practical conceptual framework for understanding organisational factors that influence adoption and utilization of strategic performance management systems.

Implementation research in diverse organisational settings is constrained by limited research infrastructure, challenges with long-term follow-up, complex outcome assessment requirements, and ethical considerations affecting organisational participation (Somers, 2005). Future studies should adopt mixed-methods designs that integrate quantitative outcome measurements with qualitative investigations of implementation processes, while maintaining accurate and reliable organisational assessment methods.

4.3 Limitations

The present systematic review is not without constraints. The available literature tends to be biased to the formal sector and enormous organisations and their limited evidence on smaller organisations and community-based organisations where most non-profit programs are structured. The vast majority of the studies did not provide any follow-up over an extended time, limiting any conclusion that might apply to long-term implementation, or organisational outcomes. Coverage geographically is uneven too with some region and types of organisation being over-represented. The quality of studies varies: a significant number of them did not use rigorous results measurement, comparison groups, and this inconsistency makes any serious meta-analysis complicated. Besides, the vastness of contexts, types of intervention or

outcome is such that it excludes the outright conclusion on effectiveness of intervention in different organisational environments.

5. Conclusion

This systematic review observes the obstacles of implementing strategic performance management in non-profit and outlines the feasible paths that could be taken to foster proficiency. Despite the fact that empiricism supported strategies exist, operationalization of the strategies is dependent on the ability of an organisation to overcome the interdependent barriers, as well as to apply the necessary interventions into the system, organisation and individual planes. Empirical findings demonstrate that there is significant coverage deficit in strategic performance management: smaller non-profit organisations lack the in-depth system. Nonetheless, successful case studies point to viable scalability pathways.

Policymakers are encouraged to focus more on the development of comprehensive frameworks of organisational development, e.g. by establishing commonly recognized standards of performance management, amplifying organisational capacity-building resources, and incorporating performance management into other initiatives of organisational strengthening, and supporting research on cost-effective approaches to implementation. At the same time, however, organisations are called upon to not only prepare, but also devote the necessary finances, human and technical resources, engage the stakeholders in designing the system but also in implementing it as well as seek the expertise of their external organisations to facilitate the implementation process.

It is advisable that development partners and funders should put more emphasis on enhancement of the organisational effectiveness systems through capacity building support, adaptation of effective frameworks to local setting and provision of technical and financial resources to implement. The researchers in their turn are urged to promote the research in resource-strained settings, culturally acceptable interventions, cost-efficient procedures in smaller organisations, as well as long-term sustainability of introduced systems.

Summarily, strategic performance management forms a critical part of integrated organisational development strategies that focus on improving effectiveness and accomplishing the mission. Although resource-limited environments may be considered more challenging, the evidence base proves that successful implementation is possible with the comprehensive and multilevel strategies that can overcome all obstacles on the crossing of all levels of organisation. Since the problem of organisational ineffectiveness has such a high cost burden, the stakeholders must work and act together in tandem with the constant investments in evidence-based implementation vehicles that would enable the organisations to be more sustainable and able to achieve their missions and long-run effects.

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