

Design of Organization Strategy and Business Process Improvement using Business Model Canvas for Non-Profit Organization in Indonesia

Mutiara, M. Dachyar, Rahmat Nurcahyo

Department of Industrial Engineering

Faculty of Engineering

Universitas Indonesia

Depok, Indonesia

mutiara.salman@gmail.com , mdachyar@yahoo.com, rahmat@eng.ui.ac.id

Abstract

A non-profit organization with different operating models and economic factors can still adopt the same processes as profit-oriented organizations to improve efficiency and effectiveness. This study will discuss important factors that a non-profit organization needs to consider when implementing the change process. Due to reduced funding and increasingly fierce competition from similar organizations, many non-profits have had to face challenges such as improved performance, profitability, and the demands of digitization. This study aims to provide strategic solutions to improve business processes and increase revenue by applying a Business Model Canvas (BMC) concept. The study identified several changes in the appropriate business strategy for a scholarship institution in Indonesia following the current business processes of the organization as well as the frameworks in place to strengthen their performance. The main objective of process improvement is to develop organizational commitment and support to facilitate continuous process improvement. BMC is expected to help organizations assess and develop strategies and processes that align with their core values and mission. This strategy's purpose of help organizations addresses social and economic problems by developing practical solutions that meet organizational goals and expectations.

Keywords

A non-profit organization, Business Model Canvas, SWOT, Business Process Improvement

1. Introduction

The role of non-profit organizations is significant, and the development of these organizations is widely considered a vital part of society. In certain conditions, such as those mentioned above, people may question the effectiveness of specific organizations. This condition prompted this study to be conducted. The profitability of non-profit organizations has been the subject of various studies, but the public has largely ignored these studies. Most studies on such organizations focus on the profitability of the business model instead of the institution's existence.

Due to the nature of their work, many non-profit organizations are struggling due to their dependence on external financing. Donors can help them by choosing a target and making a contribution. Donors can select the target for their donation by considering several things. Quality is essential in improving a non-profit organization's performance, efficiency, and effectiveness. Al-Tabbaa et al. (2013) explained that quality in a non-profit context is an effort to enhance all aspects of an organization's work, not limited to the quality of services provided.

Several problems are prevalent in non-profit organizations. Research from Ati et al. (2019) explains that generally, non-profit organizations have management, accountability, transparency, and independence problems that can be seen from the organization's condition if it is still stagnant from the total managed funds per year. In addition to obtaining donations and managing funds for non-profit organizations, the public relations aspect, including digital services, needs assistance and stakeholders of non-profit organizations. A general relationship is an essential tool that helps

non-profit organizations increase their visibility to indicate that donors realize the importance of public relations and are willing to support those who work for non-profit organizations (Polić and Cesarec Salopek 2020).

Different non-profit organizations in public relations use different types of communication methods. While interactive media have become a widely used method of communication, some organizations still rely on traditional methods. The first three types of communication are personal, classic, and interactive media. Although interactive media have become a widely used method of communication, many non-profit organizations still have some problems with their use (Elbahi et al. 2019). Table 1 below shows some common issues in non-profit organizations based on the literature from some countries.

Table 1: NPO's common issues

NPO	Organization Problem	Reference
Rimbawan Muda Indonesia	• Management, accountability, transparency, and independence • Management funds have stagnated over the past five years	Ati et.al. 2019
Family and Children's Association	• There is a need to measure the quality and effectiveness of organizations, as donors and funders increasingly seek objective data about organizational performance. • Implementation in measuring the effectiveness and quality of programs due to less effective organizational management	Giffords and Dina 2004
Four Non-Profit Organizations in Dallas – Fort Worth Region	• There is a higher need to provide services in rapidly changing circumstances • The economic crisis has increased demand for services from these non-profit organizations, and government mandates have resulted in disruptions that create ambiguity • Non-profit organizations do not have strategies for responding to pandemic conditions.	Shi et al. 2020

The goal of a strategy is to achieve a favorable long-term position for the organization. The implication of this strategy is to gain a competitive advantage. A strategy's development depends on both internal and external factors. For instance, many studies reveal that the factors that drive economic impact and competitive advantage are interrelated. Various factors must be considered when formulating a strategy, including the organization's structure, culture, product or service offerings, and competitive advantage (Nurcahyo et al. 2018). Continuous innovation is required for a non-profit organization to compete among similar organizations. Also, constant innovation is a process that enables an organization to continuously improve and adapt to the changing needs of its stakeholder in the long term. This process helps build and shape an organization's innovation capabilities to produce superior results continuously (Lianto et al. 2018).

1.1 Objectives

The purpose of this study is to identify several adjustments to the business strategy of non-profit organizations providing scholarships in Indonesia based on their internal strengths and opportunities to improve organizational performance and provide competitive added value for all stakeholders. This study aims to develop a comprehensive and accurate business model canvas for NPOs that will provide practitioners and academics with a practical tool to help them manage and build their hybrid business models.

1.2 Case Study

This study took a case study on a non-profit organization established by a group of alumni of public universities in Indonesia. This non-profit organization was founded in October 2003 in Depok - Indonesia, that focuses on distributing educational scholarships among renowned public universities in Indonesia. The organization's condition is not much different from that of other non-profit organizations. The organization's management's concern is to ensure that the organization's various needs are not stagnant.

Through a Business Model Canvas, the organization will describe its current business model and develop new strategies that will be useful in the future. The organization can create programs and services widely used in Indonesia (Wheelen and Hunger 2012).

2. Literature Review

Most of the literature on the non-profit sector's business models has been written about the various aspects of the operation. Despite this, the complexity of the NPO model remains very poorly understood.

2.1 Business Process Improvement for Non-Profit

While many of us may not realize it, the existence of non-profit organizations is integral to our communities. They provide various services and contribute to social cohesion and democracy. While for-profit organizations may have a competitive advantage, operating in the non-profit sector requires continuously improving processes and operations.

Today's non-profit organizations are faced with many challenges, including the rapid emergence of new competition and the increasing reliance on fee-for-service services. These changes require organizations to step up to remain effective (Brooks 2003). Unlike traditional organizations, non-profit groups are not driven by competing for donors and financial resources. Instead, they are driven by their mission to serve their constituents. As the welfare economy evolves, opportunities for non-profits to expand their operations and reach out to new audiences are opening up. With these requirements in mind, process improvement is a top priority for all non-profits. It can help them meet their goals and improve efficiency while reducing their administrative burden (Harris et al. 2001).

One of the biggest challenges that non-profits have is gaining donors' trust. Like customers in profit organizations, providing the best service to donors is essential in non-profit organizations. Being able to improve the communication capabilities of the organization is also a step to keeping the trust of donors. Another crucial aspect that an organization should improve is its image. Doing so will help boost the organization's reputation and increase the frequency of its donations (Dachyar et al. 2019).

A successful process improvement program involves identifying the most critical processes to the success of a function or department. This step is followed by identifying the essential strategies that a department or position can improve; the same goes for non-profit organizations. According to Fryman (2002), a process improvement initiative should include a set of steps that encompass continuous improvement, strategic projects, and risk management.

2.2 SWOT Matrix

SWOT is a strategy that refers to the various factors that an organization needs to consider to improve its performance (Hunger 2012). The importance of SWOT analysis can be used to support and guide decision-makers in formulating effective prospect strategies (Mirzakhani et al. 2014). A SWOT analysis consists of two main steps: identifying the main factors that an organization needs to consider to improve its performance and formulating a strategy that will help implement these factors (Cayir Ervural et al. 2018). Positioning an organization can also use a SWOT analysis by analyzing its weaknesses, opportunities, and threats. This process can be done by carrying out a strategic plan (Nurcahyo et al. 2015).

A SWOT analysis is a commonly used tool that uses various analytical techniques to identify potential weaknesses and threats in a company or industry (Wickramasinghe and Takano 2009). Generally, SWOT is usually composed of multiple statements or factors that describe a company or industry's current and future trends. The concept of Strategic SWOT is a process utilized to identify potential threats and weaknesses within an organization. The SWOT matrix helps an organization identify its various internal strengths and weaknesses and adjust its strategy and actions. (Dachyar and Sahir 2021).

2.3 Business Model Canvas for Non-Profits

The increasing number of articles and discussions on NPO accountability and transparency has raised the topic of business models for NPOs into the spotlight. However, the lack of a tested business model canvas for NPOs remains a challenge.

The development of non-profit business models is still rare; studies related to the research and application of NPO business models are usually conducted in different contexts (Shafer et al. 2005). One of the main obstacles non-profit

organizations face in developing their business models is understanding their existing model. Having a well-tested model canvas can help organizations improve their communication and understanding.

The concept of Business Model Canvas (BMC) has been widely discussed in various studies. These studies focus on e-commerce and profit-oriented companies (Sanderse 2014). Although studies on the use of business models in non-profit organizations are rare, they are likely to be very different from those conducted on profit-oriented businesses (Demil and Lecocq 2010).

Business Model Canvas is a conceptual model developed by Pigneur and Osterwalder in the 1990s. It is widely used in various circles. The goal of a strategy is to create a business model that will allow the organization to communicate and test the causal relationship between the chosen design and the organization's operations. The concept of the canvas business model will enable agencies to develop a strategy that has operational implications. This strategy can be tested and validated by using a business model. We do not need to create separate business models or different business characteristics for a non-profit organization. Instead, we need to create a clear picture of the enterprise's social mission and social objectives. The business model canvas should help a non-profit organization identify the social impact they are trying to achieve. They should also see how the two interact and work together to create a social impact.

The reality is that social enterprises cannot work if their business model does not work financially. They can also work if their social objectives are not met. There were two main models in business modeling: commerce and impact. In marketing, the goal is to provide a certain level of service to a particular group of customers, while in effects, the goal is to impact another group. In a non-profit organization, the goal is to connect like-minded individuals to a potential customer base to create a sustainable social impact. The Business Model Canvas allows us to divide the non-profit organization into two groups: those directed to effects (and those referred to as commerce). By separating these two groups, we can see how their story is related to both impact and business (Burkett 2013).

3. Methods

The data used in this study consisted of in-depth interviews from managers of the organization, data obtained from financial reports and organizational activities, and secondary data regarding the condition of non-profit organizations taken from journals, books, and other sources. This research analyzed the data processed using the SWOT Matrix and BMC descriptively to formulate strategies and business process improvement programs. Analysis of research results from the literature and individual in-depth interviews allowed the paper's authors to develop a SWOT Matrix and a proposed Business Model Canvas.

The next step in analyzing a company's operations is identifying factors that impact the internal and external environments. The analysis involves identifying and evaluating the various factors that influence the company's business model canvas. The results are then plotted in a SWOT Matrix. The factors considered critical to the company's operations are then grouped in the framework of a SWOT Matrix. The resulting analysis is used to identify the company's weaknesses and opportunities. The last method used was to combine the results of the mapping of the business model and the analysis of SWOT. This method would then allow us to identify the various components of a business model. The author performed the research to know the existing condition of the organization, its environment, and its internal business activities. The framework used for the data analysis is a business model canvas that divides the organization's operations into nine main boxes.

4. Data Collection

The data collected for this study consisted of both primary and secondary data. The purpose of the primary data collection was to determine the organization's current condition methods and practices related to it. This study used secondary data to collect information about the organization, then used the techniques to determine the classifications of potential threats and weaknesses of an organization. The internal and external sources of collected data were then analyzed and classified. We get some quantitative history data, and it has no pattern of improvement over time. So our temporary hypothesis is that this organization needs to implement a strategy to improve its performance and focus on improving some critical things that can support organizational goals. We use financial data benchmarks so that improvement priorities can be easily quantified, in addition to the economic independence of non-profit organizations is essential and indeed a proper performance measuring tool. We use data from the organization's financial statements from 2015 to 2020 from several factors, such as those seen in Table 2.

Table 2: Non-profit organization's donation performance

Year	Donations accepted (IDR)	Donations distributed (IDR)	Donations distributed vs accepted (%)	Scholarship's recipients
2015	214,863,789	211,000,000	98.2 %	109
2016	286,390,201	196,000,000	68.44 %	80
2017	232,700,000	210,900,000	90.63 %	58
2018	1,020,495,000	297,076,223	29.11 %	68
2019	271,593,000	335,733,380	123.62 %	74
2020	137,870,000	289,297,256	209.83 %	54

We can see from Table 2 above that incoming donation compared to scholarships distributed annually do not show the consistency of increase or regular pattern. Based on interviews with the organization's managers, we know that the donations are only from internal circles. The distribution of scholarships has not reached a broad scope; it can be concluded that there needs to be a strategy and planning in terms of fundraising and scholarship distribution. Donations received in 2018 increased sharply then dropped dramatically in 2019, while in 2018, there was also the number of scholarship distributions with the lowest percentage. This fact clearly shows the absence of a guide used by the organization as a reference. In Table 2 above, it is illustrated that during the pandemic (2019 to 2020), the number of scholarships distributed exceeds the amount of donation received that the organization is forced to use the cash owned due to the lack of donations received.

The financial data and the number of scholarship recipients from 2015 to 2020 (see Table 2) graphically see an irregular trend like Figure 1 below. The amount of donations received annually has not had a well-planned distribution strategy; this can be seen from the number of incoming contributions increasing significantly in 2018 due to the cooperation of events with external parties and then falling sharply in 2019. Donation funds received are ideally absorbed and distributed to scholarship recipients following the organization's target. However, in Figure 1, there is a non-linear gap between the distribution of scholarships and donation funds received.

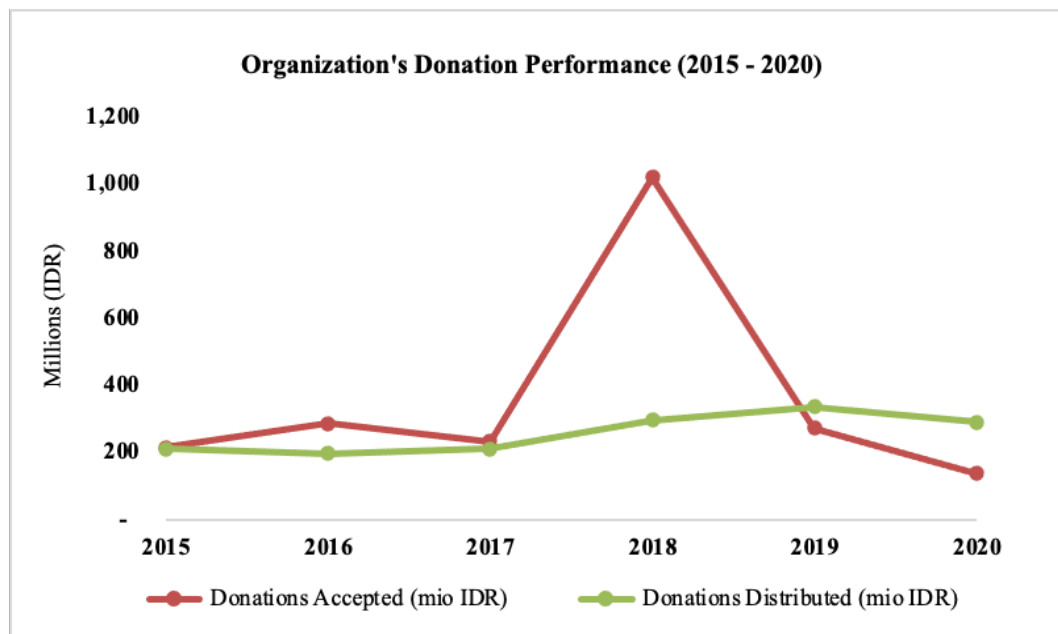


Figure 1: Organization's donation performance

Meanwhile, we visualize the trend of the number of scholarship recipients into a graph; we can see it in Figure 2 below. Similar to the amount of grant received, the number of scholarship recipients from year to year have not seen a linear pattern or amount and even tend to have a downward trend. In 2020 during the COVID-19 outbreak, when many donors reduced their donations due to the economic crisis, it can be seen in Figure 2 the number of scholarship recipients had increased and dropped to the lowest number for the last six years. Suppose a non-profit organization relies financially on the influx of donations from donors, mainly if the financial crisis occurs prolonged. At the same time, the number of scholarship recipients decreases yearly, which means that the number of donations donated is not increasing in terms of the number of recipients. At the same time, we know that the need to receive scholarships certainly experienced an increase. This condition requires serious attention and a non-profit organization strategy to continue the sustainability of scholarship distribution, even in pandemics.

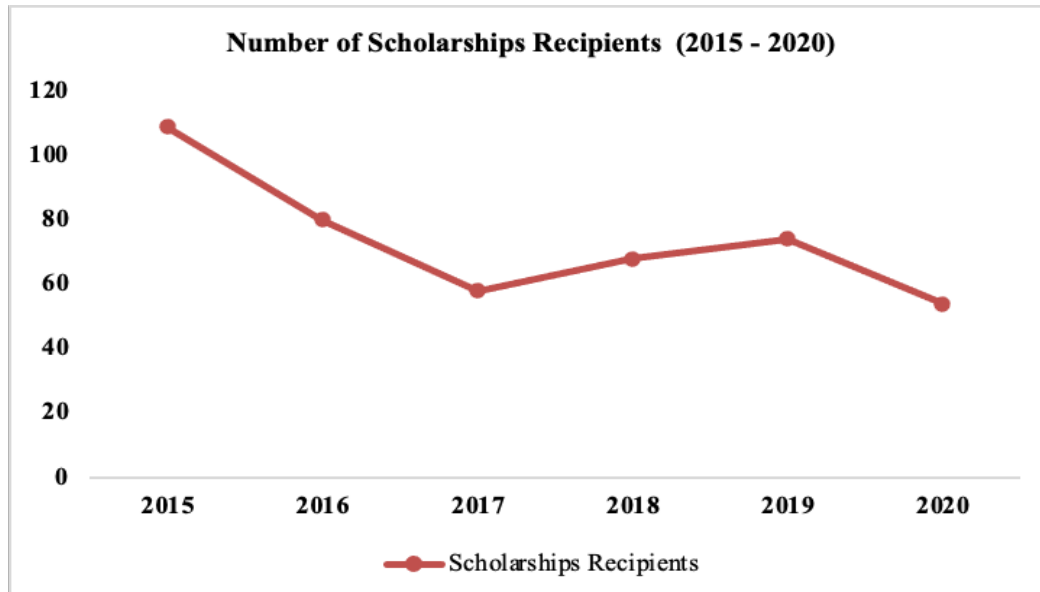


Figure 2: Number of scholarship recipients

A SWOT analysis is a process utilized to evaluate a non-profit organization's strengths and weaknesses. This analysis is performed to identify critical sub-factors that can help the organization's performance. The study can formulate the following eight strategies by analyzing the company's SWOT matrix, which combines strengths and weaknesses in internal factors with opportunities and threats as external factors (see Table 3).

Table 3: SWOT analysis for non-profits

	Internal Factors	
	Strengths (S)	Weaknesses (W)
Internal Factors	S1:Clarity of the vision and mission of the organization S2:The organization has a good purpose (noble) S3:Awardee development program S4:Participation and good relations with the community S5:Strong support from alumni and faculty	W1:Some programs have not been explored W2:Fundraising strategy still lacking W3:Not evenly distributed involvement of all managers W4:Network limitations W5:Not yet reaching comprehensive coverage
External Factors		

<u>Opportunities (O)</u> O1: Possibility of diversifying an organization's products O2: Joining the new managers O3: Significant volunteer potential O4: Collaboration with other organizations O5: Co-contribution from community's business O6: Contact with alumni abroad	<u>S-O Strategy</u> 1. Submit proposals to prospective donors following the vision and mission of the organization (S1, S2, S3, S4, O3, O5) 2. Improve organizational branding by establishing external cooperation so that the public can get to know the organization more broadly (S2, S4, O4, O6)	<u>W-O Strategy</u> 1. Improve collaboration and communication with external parties so that funding from donors can be increased (W2, W4, O3, O4, O5, O6) 2. Fundraising strategies through self-promotion spaces with roadshows to potential donors and attending events hosted by donors (W2, O3, O4, O5) 3. Expand networks with local and international organizations (W4, O3)
<u>Threats (T)</u> T1: Additional resources are hard to come by T2: Tough competition T3: The community does not support T4: Donors stop donating T5: Low awardee commitment	<u>S-T Strategy</u> 1. Increase awardee engagement through competitive flagship programs (S3, T2, T5) 2. Visiting donors who have stopped collaboration convinces them that organizations can manage programs, use funds optimally, and produce sound output for the community (S2, S4, S5, T1, T2, T3, T4)	<u>W-T Strategy</u> 1. Strengthen networking through regular discussions, and try to resolve existing problems (W4, T3, T4) 2. Increase management involvement by conducting activities or projects together and maximizing the manager's role under interests and experiences (W1, W3, T1, T3)

5. Results and Discussion

The stages performed after mapping an organization's current state are focused on performing SWOT analysis on the organization's nine elements. This step's goal is to analyze the key strengths and weaknesses of the organization.

5.1 SWOT Assessment

The SWOT analysis findings indicate that various changes in the organization's management system are needed to improve its operations. One of these changes is implementing a fund-raising strategy. The organization's current approach needs to be changed to focus on a growing issue and expand its fund-raising efforts. The non-profit organization should carry out this strategy by identifying potential donors focused on education issues.

This research will combine the SWOT analysis results and the mapping of the nine elements to provide a more in-depth and sharper analysis (see Table 4). The element in Table 4 comprises nine building blocks that are part of the business model canvas. Strengths, weaknesses, opportunities, and threats are all factual conditions that organizations have as internal and external factors.

Table 4. SWOT assessment on the nine elements of the non-profit organization business model

Element	Strengths	Weaknesses	Opportunities	Threats
Customer segments	- Building new collaborations with prospective donors - Implement the project according to the needs of the donors	- Lack of communication with donors - Communication in the communities has not been intensive	Funding opportunities from donors	Donors suspend the donation

Element	Strengths	Weaknesses	Opportunities	Threats
Value propositions	• Constituents in grassroots • Have strong ideals • The issues are comprehensive	• Lack of focus on developing issues • Have not been able to package the concept well	• Many communities need a socialization • Few competitors at the exact location	• The presence of other NPOs with similar issues • Rejection from the communities
Channels	Own media website and mobile apps	The use of media networks is still limited	Many parties use social media	There are news/issues that are more interesting in the public
Customers Relationships	• The closeness of the relationship of the community • Close donor relationships	• Relations between donors are still limited to reporting and proposals • Lack of self-promotion	A personal relationship with the community	• Donor distrust with the organization • Personal / staff changes to old donors
Revenue streams	Efficient financial management	Weak fund-raising strategy	The existing funding opportunities that are still open from donors	Many unexpected costs
Key resources	Well capacity of staff in managing programs and financial	• Inexperienced board skills • Uneven human resources capacity (high gap)	High outsiders' confidence in an organization manager	• Staff hijacking by other parties • Piracy of internal data by other agencies
Key activities	• Independent organization • Having a neat strategic plan	• Monitoring evaluation system not good • Assistance in the community is not continue	The organization's location is relatively close to the University to facilitate coordination with the campus if needed.	Some policies contradict the mission of the organization
Key partnerships	Strong network to develop policies	• The network is still limited • Network-related relationships	The existence is similarity issues with the network	Disagreements with the network
Cost structure	Good financial management	Many unallocated costs of the project budget	Capacity building opportunities for organizational fund management	Swelling costs

5.2 Business Model Canvas (BMC) for Non-Profit Organization

For non-profit organizations, the business model canvas should allow them to see how their organization is doing and identify the social impact they are trying to achieve. This knowledge can help them manage their businesses more effectively and achieve their goals. Unfortunately, operating a non-profit business model can be challenging for organizations if it does not align with their social objectives. Nevertheless, business models can still achieve both financial and social goals.

The goal of a non-profit organization is to create a connection between people and businesses that can deliver sustainable social impact. The way to represent this is to separate the NPO directed at effects from the one directed at commerce. By separating these two sides of the canvas, we can see how their interactions relate to marketing and impact. The Business Model Canvas helps organizations describe their operations and develop strategies to attract and

retain potential donors. The following explains the results of the mapping nine blocks building on the Business Model Canvas proposed from the results of the non-profit organization's SWOT analysis (see Figure 3) :

1. Customer Segments - the customer segments of a non-profit organization are as follows: awardee, alumni, and donors. The former are the beneficiaries of the organization's activities, while the latter brings value streams to the organization.
2. Value Propositions - the value propositions of a non-profit organization are easily recognizable to its supporters as it relates to its scholarship program. Its supporters can also quickly identify it through programs that support the needy.
3. Channels - the channel communicates the non-profit organization's value proposition to the public through word of mouth. Other media are also used to reach out to the donors, but these are limited to the alumni community. The only way to communicate with donors is through email and WhatsApp.
4. Customers Relationships – a non-profit organization's relationships with donors establish personal connections and a strong foundation. While the relationship is more focused on interpersonal relationships, the organization also emphasizes funding sustainable programs and projects.
5. Revenue Streams - most of the organization's revenue comes from donors. Its most significant revenue source is from domestic and multinational corporations. This funding supports the organization's mission and operations according to its agreement with the donor.
6. Key Resources - the database of a non-profit organization is its essential resource. Its importance is evidenced by its management system being still very limited and managed by a single particular staff member. This resource requires improvement to enable it to perform its intended function.
7. Key Activities - the organization carries out various activities focused on helping college students reach their potential. These include scholarship distribution, awardee personal development, and networking. This organization's key activities are community organizing and assistance with fundraising. They are different from other NPOs that mainly distribute educational scholarships.
8. Key Partnerships - key partnerships are formed with various individuals and organizations to achieve the non-profit organization's goals. Key alliances are also typically created by multiple non-profit organizations to support their mission. Improvement of these networks is a strategy that aims to attract more donors.
9. Cost Structure - the cost structures of activities that an organization carries out include implementing a program, providing staff salaries, and the cost of awardee activities. The operational costs are allocated for the various tasks and activities related to its implementation.

Key Partners • All alumni • Corporation • Donors • The university	Key Activities • Knowledge management • Networking	Value Propositions • Clear vision and mission • Integrated community empowerment • Programmes/projects that support scholarship activities • Focus on the issue of education	Relationship • Building collaborations • Routine discussions • Interpersonal relationship • Donor : routine email, roadshow	Customer Segments • Awardee • Potential donors • Existing donors • Others
Cost • Cost of programs implementation • Operational cost • Operational capacity building organization • Cost of networking			Revenue • Donors • Fund-raising potential donors • Endowment fund	

Figure 3: Business model canvas for a non-profit organization

5.3 Proposed Business Model Improvements

The goal of a business model is to provide stakeholders with an understanding of how a business works and how it generates and delivers value. The model should also detail how a company develops revenue and distributes it to its shareholders. Understanding these dynamics can help non-profit organizations formulate a strategy that fits their goals and passions (Burkett, 2013).

The non-profit organization business model improvements after going through the SWOT analysis mapping process and grouping on the framework Business Model Canvas are shown in Table 5 below. The SWOT analysis results revealed that focusing on fundraising and network development can help an organization reach its goals by distributing more scholarships and reaching a wider variety of scholarship recipients. The dependence on donors is also a challenge for non-profit organizations that are yet to establish a business unit or have a permanent donor. A non-profit organization's business model can be improved through various steps and procedures; these include identifying the organization's strengths and potential. The nine-building blocks of strategy describe the various aspects of a profitable organization adopted for non-profit organizations. This paper aims to provide a framework for assessing and developing a strategy that will allow a non-profit organization to generate revenue and contribute to social causes.

Table 5: Proposed business model improvement for a non-profit organization

Nine Building Blocks	Descriptions
Customer / Donors Segments	One of the most critical factors that the organization needs to improve is its fund-raising process. This process involves identifying potential donors and conducting outreach programs to attract and retain them.
Value Propositions	The organization should start focusing on growing issues instead of comprehensive ones that will enable the non-profit organization to identify and address the various issues related to education. Doing so will help the organization attract potential donors.
Channels	The communication channel of an organization needs to be improved to reach out to potential donors that have stopped long-term relationships. Another effective method of reaching out to potential donors is through a website that provides updated information about the organization and its programs.
Customer Relationships	The relationship between the organization and its donors is currently limited. This issue can be solved by regularly sending emails and establishing a non-profit organization profile. Another strategy involves visiting a potential donor during a roadshow. This method of communication can help expand the relationship between the organization and its supporters.
Revenue Streams	Currently, there are many opportunities for new donors; however, the organization needs to implement effective fund-raising strategies. This strategy involves holding various fund-raising events and programs to attract potential donors. Another approach is to obtain other funding sources through the reactivation of the business unit.
Key Resources	One of the organization's essential resources is its database, which contains all the details about its donors and alumni. The exceptional staff members of non-profit organizations acknowledge its importance. The system that manages this resource needs to be enhanced to utilize its data effectively.
Key Activities	The main strength of an awardee program is its personal development and other support services since these two activities are different from other NPOs. In addition to two things that are the organization's strength in managing scholarship recipients, a critical activity that is no less important is the fundraising activities that are well managed.
Key Partners	Key partnerships or networks for organization work are formed by parties that share the organization's vision and mission. Improvement of this structure is a strategy that the organization is implementing to attract more donors.
Cost Structure	The non-profit organization's strategic plan should also include the networking costs in the budget to ensure that the program's expansion is carried out immediately.

6. Conclusion

The results of this study can help non-profit organizations identify areas of improvement that organizational administrators can make to improve organizational performance. Recommended improvement strategies minimize administrative strategic issues that threaten the organization's survival. Doing so can help improve an organization's operations by implementing effective programs and techniques. To enhance its effectiveness, its staff and managers must receive specialized training. Organizations also need to reform their strategies to focus on important issues only and develop unique fundraising plans. The findings of this study help organizations identify their current and potential problems. They can then improve their operations by developing effective strategies and programs to attract more donors.

The advantage of canvas business models is that most organizations can use them for different stages of a company's lifecycle. Setting up a business model is not easy; it requires strenuous and collective effort to get it done. Based on the results of case studies conducted against non-profit organizations in Indonesia's business model, it has been concluded that there are nine elements of the business model that need to be improved. Alternative strategies included in the matrix are several formulas that non-profits can use to generate other fundraising techniques for various donors. These include creative fundraising techniques, focused educational issues, self-promotion spaces, capacity building, and network development. The non-profit organization's management team should also discuss these issues with their board members to improve the efficiency of their organizations.

The management of a non-profit organization should begin to improve the internal management system that focuses on the most critical issues for the organization. Getting more donations coming in and concentrating on a broader scholarship is two things that need to be focused on by non-profit organizations.

References

- Anheier, H. K., *Non-profit Organizations: Theory, Management, Policy*, (2nd ed.), Routledge, 2014.
- Ati, L., Baga, L. M., and Satria, A., Business Model Canvas Non-Government Organization (NGO) (Case Study : Rimbawan Muda Indonesia), *Indonesian Journal of Business and Entrepreneurship*, 2019.
- Brooks, A., Challenges and Opportunities Facing Non-profit Organizations, *Public Administration Review* 63 (4): pp. 503-506, 2003.
- Burkett, I., *Using the Business Model Canvas for Social Enterprise Design*, Knode, Queensland, Australia, 2013.
- Cayir Ervural, B., Zaim, S., Demirel, O. F., Aydin, Z., & Delen, D., An ANP and fuzzy TOPSIS-based SWOT analysis for Turkey's energy planning, *Renewable and Sustainable Energy Reviews*, no. 82, pp. 1538–1550, 2018.
- Dachyar, M., Esperanca, F. M., and Nurcahyo, R., Loyalty Improvement of Indonesian Local Brand Fashion Customer Based on Customer Lifetime Value (CLV) Segmentation. *IOP Conference Series: Materials Science and Engineering*, 598(1), 2019.
- Dachyar, M and Sahir, A., Hotel Revival Strategy Planning with SWOT-Fuzzy AHP- TOPSIS: A Case Study of 4-star Hotel, *Proceedings of the 11th Annual International Conference on Industrial Engineering and Operations Management*, 2021.
- Demil, B. and Lecocq, X., Business model evolution: In search of dynamic consistency, *Long Range Planning* 43: pp. 227–246, 2010.
- Fryman, M., *Quality and Process Improvement*. Delmar: Thompson Learning, 2002.
- Giffords, E. D., and Dina, R. P., Strategic planning in non-profit organizations: continuous quality performance improvement - a case study, *International Journal of Organization Theory & Behavior*, 7 (1), pp. 66–80, 2004.
- Harris, M., Rochester, C. and Halfpenny, P., Voluntary Organisations and Social Policy: Twenty Years of Change, *Voluntary Organisations and Social Policy in Britain*, Palgrave, Basingstoke, 2001.
- Hunger, J. D., *Strategic Management and Business Policy: Toward Global Sustainability*, 13th Edition, 2012.
- Lassiter, Vikki C., The Role of Process Improvement in the Non-profit Organization, *Master of Science in Organizational Dynamics Theses*, 5, 2007.
- Lianto, B., Dachyar, M., and Soemardi, T. P., Continuous Innovation: A Literature Review and Future Perspective, *International Journal on Advanced Science, Engineering and Information Technology*, 8(3), 771, 2018.
- Mirzakhani, M., Parsaamal, E., and Golzar, A., Strategy Formulation with SWOT Matrix: A Case Study of an Iranian Company, *Global Business and Management Research*, 6(2), pp. 150–168, 2014.

- Nurcahyo, R., Ilhamsyah Akbar, M., and Sihono Gabriel, D., Characteristics of Start-up Company and Its Strategy: Analysis of Indonesia Fashion Start-up Companies. *International Journal of Engineering & Technology*, 7 (2.34), 44, 2018.
- Nurcahyo, R., Wibowo, A. D., and Putra, R. F. E., Key Performance Indicators Development for Government Agency, *International Journal of Technology*, 6 (5), 856, 2015.
- Osterwalder A. and Pigneur Y., *Business Model Generation*. Toronto: Self-published, 2010.
- Sanderse, J., The business model canvas of NGOs, *Open Universiteit Nederland*, 2014.
- Shafer S.M., Smith J.H., and Linder J.C., The power of business models, *Business Horizon* 48, pp. 199–207, 2005.
- Weihrich, H. , The TOWS matrix-A tool for situational analysis, *Long Range Planning*, vol. 15, no. 2, 54-66, 1982.
- Wickramasinghe, V. and Takano, S., Application of Combined SWOT and Analytic Hierarchy Process (AHP) for Tourism Revival Strategic Marketing Planning: A Case of Sri Lanka Tourism. *Journal of the Eastern Asia Society for Transportation Studies*, 8, pp. 954-969, 2009.

Biographies

Mutiara is a master's degree student in the Industrial Engineering department at Universitas Indonesia, concentrating in Industrial Management. She earned her bachelor's degree from Universitas Indonesia, majoring in Chemical Engineering. She has worked as a banker at one of the multinational banks in Indonesia for more than 17 years. Her areas of interest are management information systems, service quality, customer relation management, business process improvement, and human capital improvement.

M. Dachyar is a Professor and Head of Management Information System and Decision Support (MISDS) Laboratory at the Industrial Engineering Department, Universitas Indonesia (UI), Indonesia. He received Ph.D. from the Dept. of Industrial Engineering, Bogor Agricultural Institute, Indonesia. He received a master's degree from VUB Brussel, Belgium majoring in industrial location and development. His areas of interest are information systems, service management, business process reengineering, project management, and maintenance management information systems. His research activities are carried out through an academic and consulting project.

Rahmat Nurcahyo is a Professor in Industrial Engineering at Universitas Indonesia. He earned a Bachelor of Engineering degree in Mechanical Engineering from Universitas Indonesia, a Master of Engineering Science degree in Industrial Management from the University of New South Wales, Australia, and a doctoral degree in Strategic Management from Universitas Indonesia. His research interests are total quality management, production systems, lean systems, and maintenance management. They also include management systems and business management.