

Determinants of Financial Sustainability of Palestinian Non-Profit Organizations

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Abstract:

This study aims at revealing determinants of financial sustainability of Palestinian Non-profit organizations in Bethlehem governorate through exploring the impact of fund diversification and fund types on financial sustainability.

In addition, the study demonstrated the importance and impact of upward and downward accountability and any other relevant factors. Vitality of Palestinian Non-profit organizations in terms of offered services, their volume as business entities and Lack of recent studies related to Palestinian context was an incentive for the researcher to track and analyze the impact of mentioned determinants on Palestinian Non-profit organization in Bethlehem governorate who are within the mandate of social affairs.

Secondary data was obtained through exploring relevant studies in different developing countries, in addition to data collected from ministry of interior, primary data was also collected through an organized questionnaire directed to executive managers of Palestinian non-profit organizations.

Following the descriptive analytical methodology, the study was able to cover a niche of population and reach important findings; Palestinian Non-profit organizations are facing serious dilemmas in securing funding sources on long run and consent of those organizations on the importance of fund diversification and maintaining a balanced mix of restricted and unrestricted funds.

Moreover, Palestinian non-profit organizations have witnessed an increasing demand for accountability. However, they still perceive in the traditional part of fulfilling donors and authority's requirement, few of them are maintaining and developing strategies to adapt accountability within their organizational structure.

In its final chapter, the study presented conclusions and recommendations of findings and has come up with some recommendations that may of interest to different stakeholders; it

urged PNGOs' Management and Boards to develop unconventional fundraising strategies to raise up the efficiency of national and individual givings, enrolling into social businesses and set up strategies to anchor accountability.

In Parallel, the study recommended establishing a compulsory agency that help Palestinian Non-profit organizations in building their capacities and resources. In addition, role of donors should focus on building capacities of those organizations.