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**Digital Communication Strategy as a Fundraising Driver to Enhance NPO's Financial Sustainability:
The Moderating Role of Dynamic Managerial Capabilities (UNRWA as a Case Study)**

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Abstract:

Non-profit organisations (NPOs), including UNRWA, are facing significant difficulties in securing funds necessary for their continuity, particularly during 2024/25 due to the wars on Gaza and Lebanon, the instability in Syria, and the threat of its dismantling. This research aimed to explore UNRWA's Digital Communication Strategy (DCS) as a driver to enhance its Financial Sustainability (FS), while considering the moderating role of Dynamic Managerial Capabilities (DMC). It adopted a mixed methodology (qualitative and quantitative), and data was collected through questionnaires and interviews, in addition to a reviewing of relevant previous studies and financial statements (2012-2023). The questionnaire was administered to 162 employees from ERCD, and five senior staff were interviewed. It concluded that:

a. UNRWA has a moderate level in each of DCS (62.66%), FS (45.5%), and DMC (59.59%).

b. There is a moderate, statistically significant, positive relationship between UNRWA's DCS and its FS ($R=0.570$), and a weak-moderate, statistically significant positive impact (0.398), which means that 39.8% of the changes in UNRWA's FS were attributable to those in DCS; DMC moderated and improved this impact by 9.2%.

The study presented recommendations for improving FS through DCS and rationalizing expenditure, ensuring optimal use of available resources, as well as improving DMC.

Keywords: Digital Communication, Fundraising, Social-Media, Financial Sustainability.

استراتيجية الاتصالات الرقمية كمحرك لتجديد الأموال لتعزيز الاستدامة المالية للمنظمات غير الربحية: الدور المعدل للقدرات الإدارية الديناميكية (الأونروا كدراسة حالة)

الملخص:

ت تعاني المؤسسات الخيرية، وبضمنها الأونروا، صعوبات جمة في إيجاد الأموال اللازمة لاستمراريتها، وبشكل خاص خلال 25/2024 بسبب الحرب على غزة ولبنان، وعدم الاستقرار في سوريا، والتهديد بتفكيكها. هدفت الدراسة إلى استكشاف استراتيجية التواصل الرقمي للأونروا، كاستراتيجية لجمع التبرعات لتعزيز استدامتها المالية، مع الأخذ في الاعتبار الدور المحسن للقدرات الإدارية الديناميكية. اعتمدت الدراسة على المنهجية المختلطة (النوعي والكمي)، وجمعت البيانات من خلال الاستبانة والمقابلة، بالإضافة إلى مراجعة الدراسات السابقة ذات الصلة والقوائم المالية لسنوات 2012 إلى 2023. طبقت الاستبانة على 162 موظفاً من موظفي دائرة العلاقات الخارجية والاتصال وتم عمل المقابلة مع خمسة من كبار موظفيها. خلصت الدراسة إلى أن:

أ. كانت مستويات استخدام الأونروا لاستراتيجية التواصل الرقمي متوسطة، وفي كل من استراتيجية التواصل الرقمي (62.66%)، واستدامتها المالية (45.5%)، والقدرات الإدارية الديناميكية (59.59%).

ب. هناك علاقة إيجابية متوسطة ذات دلالة إحصائية بين استراتيجية التواصل الرقمي واستدامة الأونروا المالية ($R=0.570$). وكان له تأثير إيجابي ضعيف-متوسط ذو دلالة إحصائية (0.398)، مما يعني أن 39.8% من التغيرات في استدامة الأونروا المالية، تعزى إلى التغير في استراتيجية التواصل الرقمي، وقد عدلت وحسنت القدرات الإدارية الديناميكية من هذا الأثر بنسبة 9.2%.

قدمت الدراسة توصيات لتحسين مستوى الاستدامة المالية من خلال استراتيجية التواصل الرقمي، وتقنين الإنفاق، بما يضمن الاستخدام الأمثل للموارد المتاحة، وكذلك تحسين القدرات الإدارية الديناميكية.

الكلمات المفتاحية: التواصل الرقمي؛ جمع التبرعات؛ وسائل التواصل الاجتماعي؛ الاستدامة المالية.

1. Research Framework

1.1. Introduction

Non-profit organisations (¹) (NPOs) play a crucial role and represent a considerable share of economic, social and welfare activities for human societies (Liwa, 2020). Their involvement is a universal trend and moving upright, where the World Bank estimated that over 15% of total overseas development aid is channelled through NPOs, with huge budget that has grown strongly in recent years; it reached US\$ 313.29 billion in 2023 and expected to reach \$411.19 billion in 2028 (Global Trends in Giving Report, 2024).

Since their services reflect the need of the underserved and marginalised communities, NPOs continuity and sustainability is essential (Faruk, Rahman & Hasan, 2021). Their funding, marked with scarcity, is considered their lifeblood; the more it is possible to obtain from various sources and overcome their deficiency, the more these organisations are able to achieve their goals and gain financial sustainability (FS).

As we are living the era of digitization, social media (SM) and online campaigns and crowdfunding/appeals (OC & CA) are crucial tools of digital communication strategy (DCS) to keep current donors engaged, informed and remain active (Wenqi, Barkhi & Razvan, 2025) and to reach out potential donors, raise their awareness and providing new avenues for fundraising and in turn reaching financial sustainability.

1.2. Problem Statement

UNRWA is a very special and unique UN organisation, in term of size, nature of, increased demand on its services and continuous financial deficit it faces over the last years. It has an exclusive model of direct service delivery to about 6 million registered Palestine refugees in the areas of education (about half million children in 724 basic and Preparatory Schools), Health (about nine million medical consultations were provided at 140 health centres), and providing relief and social services to 1.2 million who live in absolute poverty, including cash assistance, food and/or shelter rehabilitation (UNRWA, 2024). It faces a constant increase of demand on its services, going up from almost one billion in 2012, to almost two USD billion in 2024, and expected to grow further, with the massive destruction due to the recent war on Gaza and Lebanon (during 2024-2025).

To bridge this gap between increased demand and limited resources governed by the volunteerism of funding, UNRWA designates a fully fledge entity, called "External Relations and Communication Department" (ERCD) with the major role of mobilising resources and trying to ensure continuous fund streams (**Appendix-1**). Unfortunately, the success to get enough funds to cover the running and developmental activities is facing a continuous deficit over the last twelve years with an average of 33.31 million the during the period 2012-2023 (UNRWA Financial Statement, 2012-23).

Scholars studied and confirmed the positive impact of DCS on NPOs FS (Wenqi, et al, 2025; Briukhno, 2023; González-Cacheda & Outeda, 2021; Mondejar, et al, 2021 and Dwivedi, et al 2021). Others, considering their operations in a very competitive environment where the number of NPOs are increasing tremendously, leadership must sense such challenges,

¹ This study considered Non-Governmental Organisations (NGOs) are the same as NPOs, as they almost have similar nature, overall goals (with no profit intention, and competing for the same resources of funding).

coordinate and utilise the available resources including human, social and cognitive capitals efficiently to improve their performance (Teece, 2018; Heubeck and Meckl, 2022); this role is known as, Dynamic Managerial Capabilities (DMC). Therefore, the research question is formulated as “**What is the impact of UNRWA’s Digital Communication Strategy on its Financial Sustainability, in light of the moderating role of Dynamic Managerial Capabilities?**”

1.3. Objectives

The research aimed at achieving the following objectives:

1. Identify the characteristic of, and assess, DCS that UNRWA utilises, including SM and OC & CA, and how they relate to its FS.
2. Assess UNRWA’s FS through a multi-construct of net income, liquidity and solvency ratios.
3. Check the relationship and impact of UNRWA’s DCS on its FS.
4. Examine the level of DMC at UNRWA, and whether they moderate the impact of DCS on its FS.
5. Provide recommendation for UNRWA to improve it FS to ensure its services continuity until reaching a just& fair solution for Palestine refugees.

1.4. Conceptual Model

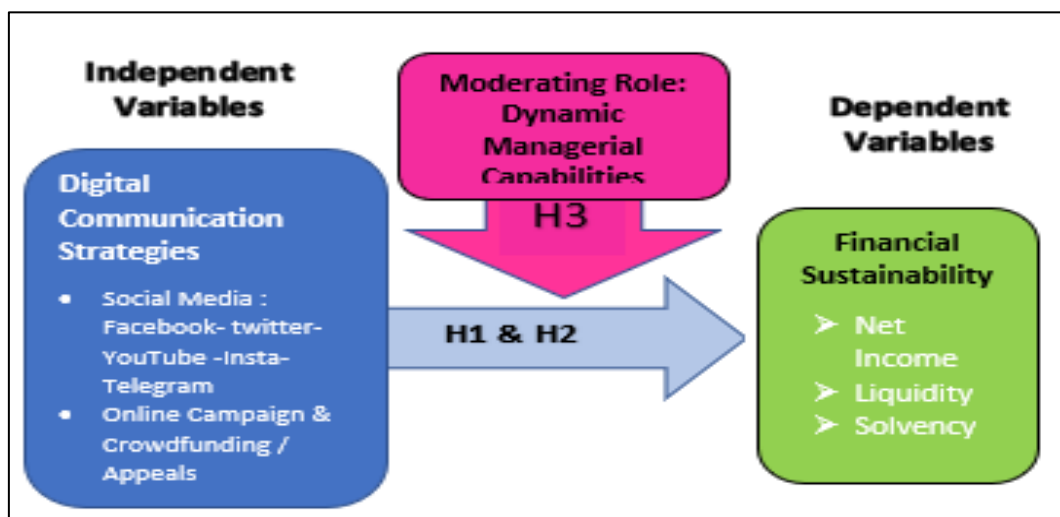


Figure (1): Conceptual model

(Source: developed by the researchers, based on Arhin, Kumi and Adam, 2018; Bhati & McDonnell, 2020; Dwivedi, et al, 2021; Alnajjar, 2021; Tinmaz, Lee, Ivanovici & Baber, 2022; Heubeck and Meckl, 2022; Brockhaus, Buhmann & Zeffass, 2022; Teunenbroek, Chiesa & Hesse, 2023).

1.5. Research Importance

While there is considerable research on profit organisations and non-profits’ financial sustainability, UN organisations are still uncovered area. UNRWA’s FS, particularly in these difficult days, where its complete existence on question after the recent (current) Israeli war on Gaza and Lebanon, conflict in Syria and the threats of closing down its services in Gaza

and West Bank (²), and worries of cutting its funding, which just started with Sweden, in December 2024, and USA, in March 2025, make this study so genuine and important (UNRWA, 2024-25).

1.5.1. Theoretical Implication

Being a very rare study in its cluster, it enhanced the limited literature on FS in one of the major UN programmes, which can be easily generalised into other similar UN entities, that use the same funding model (voluntary contribution). Key themes and findings can be used as a reference for those concerned with monitoring and developing UN and other NPOs' FS.

1.5.2. Practical Implications

It contributes to the existence, development and enhancement of UNRWA work, providing its decision makers with an evidence-based systematic guidance, to sustain services and responsiveness to the continuously increasing demands of Palestine refugees, and to improve digital communication strategy to achieve its financial sustainability.

1.6. Acronyms

ERCD	External Relations and Communications Department - UNRWA
DCS	Digital Communication Strategy
DMC	Dynamic managerial capability
FS	Financial Sustainability
HQs	UNRWA Headquarters
MTS	Medium Term Strategy
NGOs	Non-Government Organisations
NPOs	Non-Profit Organisations
SM	Social-Media
OC & CA	Online Campaign and Crowdfunding/Appeals
UN	United Nations
UNDP	United Nation Development Programme
UNHCR	United Nation High Commissioner for Refugees
UNICEF	United Nation Children's Funds
UNRWA	United Nations Relief and Works Agency for Palestine Refugees.

2. Theoretical Background

This section of the research establishes a line over the relevant previous studies, books, articles and materials, in an interconnected manner, yet moving in a smooth sequence to build better understanding of the research subject and variables, and set its hypotheses.

2.1. Digital Communication Strategy

Digital communication Strategy depend largely on digital communication tools (Brockhaus, et al., 2022), which refers to the information and communication technologies that can

² "Knesset" is the Israeli house of representatives and the legislative authority. In the recent vote, December 2024, it agreed on a decree to stop the cooperation with UNRWA works in Gaza and West Bank.

integrate different applications, functions and content productions, while providing great interactivity among users, including Web applications, social media, on-line campaign, crowdfunding and mobile communications (Tong & Chan, 2020). They have transformed the way NPOs communicate with their donors and supporters (Wang, et al., 2023).

Generally using the Social-Media and on-line campaign can benefit the non-profits to improve their performance, increase their fundraising and enhance their financial sustainability through a) expanding donor base, by connecting with a global audience and network which will increase reaching more potential donors, including youth (Tinmaz, et al, 2022), b) improving donor engagement and retention by maintaining regular communication and sharing stories, updates and impact reports, and c) Achieve cost-effectiveness, through using fewer resources with minimal financial investment (Werke & Bogale, 2024).

Despite its great advantages, NPOs face challenges, while implementing DCS, including access to technology and infrastructure, including limited internet connectivity skills and expertise can prevent NPOs from fully leveraging digital tools for fundraising and donor engagement (Faruk, et al., 2021), thus they have to provide the required resources, specially at the initial phases (Burton, 2022) to overcome such challenges.

The researchers considered the SM and OC & CA as major tools for DCS.

2.1.1. Social-Media

A. Concept and Outlining

SM is defined as a web-based platform where audience moves beyond the passive viewing of content to contributing to it (Tong & Chan, 2020). Over the past years, it has become increasingly crucial for NPOs sustainability. The rise of SM platforms such as Facebook, Twitter, Instagram, LinkedIn, You-tube and TikTok has given NPOs new opportunities to reach a wider audience and engage with potential donors more directly and with personal touch (Wenqi, et al., 2025), to keep current donors engaged, informed and remain active and to reach out potential donors and raise their awareness and providing new avenues for communication and engagement (Guo & Saxton, 2014).

B. Impact on NPOs Financial Sustainability

Seo & Vu (2020) examined the use of Facebook for fundraising purposes, thus analysed sample of Facebook posts from 50 NPOs and identified several tactics to encourage donations, such as highlighting specific needs, providing a sense of urgency and storytelling to connect with potential donors. Briukhno (2023) confirmed these results, and added emphasis raising awareness and emotional appeals as success factors.

To step deeper in understanding why donors give money, Mondejar and colleagues (2021) looked at the impact of SM on donor's behaviour and found it can influence donor decision-making through various mechanisms such as social norms, trust and emotions. In order to engage potential donors, the study also emphasized the significance of developing interesting and emotionally significant content (Mondejar, et al, 2021).

To assess the emotional impact, Brockhaus and colleagues (2022) while studying the impact of brand love in online charity, using SM, found emotional attachment impact the brand love, which has a positive effect on donation (Brockhaus, et al., 2022).

2.1.2. Online Campaign / Crowdfunding Appeals

A. Concept and outlining

OC & CA is a fundraising strategy that collects money with a relatively short time through digital channels, such as websites and email appeals (Waters, 2011). These campaigns offer cost-effective and efficient ways to reach wider audiences, generate donations and engage supporters and donors in a more personalized manner (Teunenbroek, et al., 2023). It has various objectives such as promoting new programmes, encouraging event attendance or supporting disaster relief efforts (Aderemi, Maulida & Maikabara, 2021). The success of online campaigns depends largely on effective targeting, engaging content and clear calls to action (Banerjee, 2020).

Some of NPOs depend on professional and specialised crowdfunding platforms like GoFundMe, Indiegogo and Kickstarter, that allow them to create fundraising campaigns and link them with their already developed networks, in lieu of fees (usually a percentage of the collected donations (Classy, 2022).

B. Impact on NPOs Financial Sustainability

Research indicated that OC& CA can be an effective strategy to raise funds and increase donor engagement. Studies, Banerjee (2020) and Teunenbroek, et al. (2023), showed that OC & CA increased the amount of donation and support for NPOs.

Aderemi, et al. (2021) examined the factors that contribute to the success of crowdfunding campaigns for non-profits, and found the perceived social impact of the project, the level of engagement with supporters, and the transparency of the fundraising process were key factors in the success of crowdfunding campaigns.

Wang, et al, (2023) found that non-profits that used digital campaign were able to reach a wider audience and engage with new supporters, and they were most successful when they were integrated with other fundraising efforts, such as events and direct mail campaigns.

2.1.3. Digital Communication Strategy at the UN

Though little studies explored the impact of DCS on UN's FS, however, UN organisations have been exploring on the ground, digital fundraising strategies to mobilise resources (Inomata, 2009), including parts of DCS to engage a global audience, increase awareness of their activities, and ensure continuity of funding streams (Kurdyia, 2019). Through websites, social media platforms, and online campaigns, they aimed at promoting their mission and gain support from individuals, governments, and other organisations (Kallmeyer, 2009). In the nutshell, UNDP and UNCHR explored Twitter, Facebook and Instagram, crowdfunding as means to increase funding streams for their projects and initiatives (UNDP, 2024; UNHCR, 2021).

2.2. Financial Sustainability

2.2.1. Concept and outlining

Financial sustainability of NPOs in its simple form is the ability of the organisation to reallocate assets in light of opportunities and threats and maintain a good financial balance over a long period of time (Abdullah & Abadi, 2023). The organisation's ability to succeed in the short- and long-term objectives lies on its ability to changing environment and hold financial sustainability (Arvidson & Linde, 2021). This requires the organization to explore

new possibilities across various management levels, and to have a keen understanding of the importance of change and its impact on their strategies. Such adaptability and sustainability are crucial for organizational success (McNair, 2021; Ebenezer et al, 2021).

Other researchers see financial sustainability of NPOs as the ability of the organisation to raise its own income, or the majority of it (Morrar and Sultan, 2020; Ondiege and Wanga, 2021; Khan, Naeem & Xie, 2022).

The researchers concludes that the FS of NPOs is not just about developing new fund raising campaigns or writing attractive funding proposals, but as much about having sufficient investment in organisational structures and development of succinct fundraising strategies, including, digital communication, building robust relationships with stakeholders (donors, supporters, volunteers, staff and beneficiaries) and a diversified source of income, which all contribute to its ability to respond to the current, future and emergent demands, efficiently and effectively, over an extended period of time.

2.2.2. Financial Sustainability and NPOs' Well-being

NPOs usually gain the majority of their revenues from charitable contributions or voluntary contribution, and often their success is attached to the quality and size of such income compared with expenditure, and the ability to achieve their social mission, which is their ultimate strategic goal, and this is in turn, creates public value (Bowman, 2011). Funding continuity represents a lifeguard for organisations, thus, they are striving all the time to ensure endurance of funds streams, which is known as the financial sustainability (Ondiege & Wanga, 2021).

Many of them struggle to maintain mission despite the pressure to follow the vagaries of the latest funding priorities; they may be striving with financial sustainability, while some may even face financial crisis that could seriously impact their mandates (Waerder et al., 2022).

2.2.3. Measuring the Financial Sustainability

Usually, NPOs are working with an aim to support vulnerable communities, providing humanitarian support and do not consider the profit as an ultimate goal (Liwa, 2020) and thus is measured mainly by how much service is provided and how well they are delivered, and to what extent it contributes to the public well-being.

Okorley and Nkrumah (2012) assumed that NPOs must have the management capacity to raise funds and get their employees interested in their financial situation to get their full support and cooperation. Lynn (2013) linked the NPOs performance to their ability to get more income, thus concluded their FS is linked directly with the access to diversified sources of income. Morrar and Sultan (2020), saw community engagement, voluntarism, collaboration, and business-like practices as ways to reach FS.

Mutinda and Ngahu (2016) argued, based on resource-based theory, NPOs are still economic institutions depend on capitals to perform their programmes and activities, from the same scarce resources of society. As such, scholars considered some quantitative measures to assess the FS, for instance Wachira (2016) considered Adequacy of Resources Ratio, Self-sufficiency Ratio and Reliance on Revenue Sources Ratio; Waerder, et al. (2022) assumed organisational resilience as a major measure for FS. In the same content, Alnajjar (2021) and Abdullah & Abadi (2023), while studying organisations' FS, considered it as the organisation

expectations of current and future long-term cash flows, because these expectations help in modifying current policies, whether by increasing sources of funds or reducing financial burdens. Further, Alnajjar (2021) added the financial ratios as a way of presenting the performance of the NPOs and included current ratio, defensive interval and solvency ratio.

Considering UNRWA as INGO that profit is not part of its goals, faces constant deficit and expected to experience difficulties in sustaining cash and commit to its liability, the researchers concluded the following ratios to measure it FS:

1. Net Income: it is a reflection how financial health, to what extent its revenues cover its expenses.
2. Liquidity: it is a reflection of UNRWA's ability to pay its liabilities, thus is assessed through cash available to make payments, in keep its credibility with its beneficiaries and staff (60 of expenditure is salary). It includes Cash Ratio (covering days), Quick Ratio (covering few months) and Current Ratio (up to one year).
3. Solvency: it is the Agency ability to meet long term obligations (one year & more).

2.3. Dynamic Managerial Capabilities

2.3.1. Concept and Outlining

In recent years, the role of Dynamic Managerial Capabilities (DMC) has been a core context of dynamic capabilities (DC), which emerged from the resource-based view (RBV) theory, which is concerned with how firms can sustain and enhance their competitive advantage, mainly when environment moves rapidly (Altintas, 2022). Teece (2018) reckoned that managers play a major role in dynamic capabilities' succession, where they have two functions: an entrepreneurial and a leadership. The entrepreneurial role involves the ability to sense, shape, seize opportunities and reconfigure resources to respond accordingly, and this was confirmed by Ambrosini and Altintas (2019) and Kallifatides & Neubeck (2020). The leadership role requires disseminating the vision and values to motivate employees and align their efforts towards achieving the organisational goals. Both roles are defined as the "dynamic managerial capabilities.

Heubeck and Meckl (2022) in their study to analyse the impact of DMC on the organisations' performance, innovativeness and competitiveness categorised them into: managerial human capital, managerial social capital, and managerial cognition:

1. **Managerial Human Capital**: includes managers' knowledge, expertise and competencies, which can be achieved through informal and formal training.
2. **Managerial Social Capital**: covers the shared social norms, believes and views, which can promote networking, individual and collective action within socially defined boundaries.
3. **Managerial cognition**: which involves how information is processed and shared, thus impact the growth and performance.

2.3.2. Impact of DMC on Financial Sustainability

In a study on Chinese firms' performance and ability to get funds, Khan, et al. (2022), established a link between managerial abilities and easy access to funds, and proved empirically that the Chief Executive Officers' managerial abilities can alleviate financing

constraints. Equally, Kwalanda, Mukanzi and OnYago (2017) found a positive impact of DMC on the performance of Sugar industry in Kenya.

2.4. Previous Studies and Hypotheses Development

To set the study hypotheses, the researchers, reviewed the previous related studies, built on their conclusions and recommendations to develop an exclusive model for the current study.

2.4.1. The Current Study Exclusivity

Many field studies concluded that fundraising behaviour is one of the major components of the efforts to overcome funding shortfalls of NPOs and impact their FS, which was explored as a single element, while the current study analysed it as a multi-construct, in both independent variable (DCS) and dependent variable (FS). DCS in this study covered SM, OC & CA, while it analysed FS in the context, in business-like ideology, thus considered financial ratios (Net Income, Liquidity and Solvency), to make it more quantifiable, which was not covered before, up to the knowledge of the researchers.

Further, DMC was widely discussed in profit organisations, and very little in NPOs, but never been used in a model dealing with one of the UN major organisations. Therefore, the current research pioneered the efforts to explore the DMC moderating role of the relationship and impact of DCS on FS, at UNRWA.

2.4.2. Hypotheses: DCS Relationship with, and Impact on, FS

Wenqi, et al. (2025), studied the correlation of online donation campaign in securing funds; Briukhno (2023) analysed the relationship and impact of SM on NPOs fundraising; González-Cacheda & Outeda (2021) traced down the relationship of crowdfunding campaigns and resource mobilisation success; Mondejar, et al (2021) stressed the need of digital communication to generate unique opportunities to strategically address challenges associated with the United Nations Sustainable Development Goals (SDGs); Dwivedi, et al (2021) provided further insights towards future perspectives of promoting social and digital marketing, as a driver for significant opportunities for organisations' sustainability through lowering costs, improved awareness and increased revenues. Hence, though many scholars had studied parts of digital communications relation with financial sustainability, this study tend to have a more comprehensive approach, covering multi-dimensions strategy, thus the first and second hypotheses (and sub-hypotheses) are formulated as follows:

H1: "There is a significant relationship of UNRWA digital communication strategy and its financial sustainability".

H1_a: There is a significant relationship between UNRWA social media and its financial sustainability.

H1_b: There is a significant relationship between UNRWA online campaign and crowdfunding/appeal and its financial sustainability.

H2: "There is a significant impact of UNRWA digital communication strategy and its financial sustainability".

2.4.3. Hypothesis: DMC Moderating Role

Assessing number of previous studies revealed that they had assessed the parts of the DMC, that impact organisations' performance, including profit ones. For instance, Khan, et al.

(2022), established a link between managerial abilities and easy access to finance and alleviate financing constraints; Bseiso (2022) showed, in her study, that managerial practices (quality of executive performance, relations with donors, quality of investment and international networking of local NPOs) had positive and statically significant impact on FS. Cao & Le (2022) concluded that transformational leadership reinforced the performance of public sector organisations and enhanced their innovation, thus improved their sustainability; Ali (2021), in assessment of DC impact on intellectual Capital and innovative performance, and concluded DC moderated the relationship between intellectual capital and innovation performance, in Iraqi banks; Adna & Sukoco (2020) examined the moderating role of social capital on the influence of organisational capacity for change and organisational performance, and found that the DMC moderated the relationship between the firm ability to sense and seize environmental information to take appropriate action to adapt to changes, and thus be innovative.

It can be concluded that previous research considered segments of managerial capabilities and had not reviewed the moderating role of DMC relation and impact on organisation's FS of NPOs, with empirical part on UNRWA. Therefore, the third hypothesis is formulated as follows:

H3: "Dynamic Managerial Capabilities moderate the relationship and impact of UNRWA digital communication strategy and its financial sustainability"

3. Methodology

3.1. Data Source

Depending on descriptive analytical methodology, the researchers collected data from the secondary sources through books, journals, reports, web pages and statistics related to DCS, FS, DMC, in the context of NPOs, UN/UNRWA, and primary data through a questionnaire and interview.

3.2. Population and Sampling

Being responsible for the fundraising efforts, including digital communication strategy, the research population is UNRWA's ERCD staff. It a specialised study, thus the researchers adapted the comprehensive approach instead of sampling, thus considered all ERCD staff (203) as the studying society, as their work is directly linked with the study's objectives and can provide useful insight on its variables, and they are distributed as follows:

Table (1) The Studying Population

Posts Locations	Gaza	Jordan	Lebanon	Syria	W. Bank	Total
Population	58	44	24	15	62	203
Percentage	28	21.7	11.8	7.3	30.6	100

(Source: prepared by the researchers, based on UNRWA staffing table, 2024)

The different (increased) number of staff in each of Gaza, Jordan and West Bank referred to the reality that ERCD has HQs offices in these three locations, in addition to Field's (operations) staff.

3.3. Instrument

It is developed based on previous studies, the nature of UNRWA set-up, the personal experience of the researchers, where one of them is an UNRWA staff for 30 years, and the other is an expert of NPOs management and marketing. It also was shared with varied Jurors (**Appendix-2**).

After receiving comments from the jurors, running the pilot study and testing the validity and reliability of the questionnaire, the researchers concluded its final version (**Appendix-4**) which contains six items for DCS, nine items for DMC and nine items for FS, which represents three items for each sub-construct.

To ensure full coverage of Gaza, West Bank, Jordan, Syria and Lebanon, the questionnaire was put into an online Microsoft Forms ⁽³⁾, shared the link to all the 203-studying society. Only 168 responses were received which were cleansed, phasing out six responses, thus 162 good responses, represent 80 of the studying society, remained for analysis.

3.3.1. Validity & Reliability

The researchers conducted a pilot study, pulling 40 items of the studying society, and after validation, returned it back to the total data subject for analysis. Pearson Correlation was performed, and results indicated a strong co-efficient ranged between 0.642 and 0.917 each item and also a strong co-efficient ranged between 0.648 and 0.956, for each construct, thus considered strong internal validity.

Cronback's alpha test was performed, and results indicated a strong coefficient ranged from 0.733 to 0.939 for all fields, and 0.951 for the all, which implies an excellent reliability (**Appendix-3**).

3.4. Interview

To verify some of the questionnaire results, unclear inputs or uncovered areas in the reports, a semi-structured interview was conducted with five senior staff of the ERCD and conducted it through TEAMS and /or Zoom (**Appendix-5**). The senior staff were selected from the Director and Chief's level, who have a wide range of knowledge and experience of the UNRWA operations, fundraising and financial issues. Questions were discussed closely with the research supervisor, and with the Director of ERCD.

3.5. Analytical procedures

Statistical Package for the Social Sciences (SPSS) and Process Macro SPSS, were used, and the following statistical tests were performed:

Table (2) The Used Statistical Tests

Test	Purpose	Test	Purpose
Pearson correlation coefficient	Measurement of the validity of the research variables and questionnaire.	Frequency tables and means, relative weight, One-sample T-test.	To measure descriptive analysis of variables.

³. Microsoft Form is a web-designed template allow people to access through internet connection, allow monitoring real-time results as they're submitted, use built-in analytics to evaluate responses, and export results to Excel.

Cronbach's Alpha	Measurement of the Reliability of the research variables and questionnaire.	Pearson correlations, independent samples t-test, One-way ANOVA, Liner & Multiple Regression.	To examine the research hypothesis, testing relationship, impact and moderating role.
Kolmogorov-Smirnov	Normal distribution of the collected data.		

(Source: Prepared by the researchers, 2024)

4. Findings and Discussion

This section analysed the tendency of the study variables (DCS, FS and DMC) through the evaluation of the proportional mean, where the “degree of agreement” was rated very low, up to 27, low, up to 45, moderate up to 63, high, up to 82 and very high up to 100% (Statistics Centre, Abu Dhabi, 2017, P-27). It further analysed the linear and multilinear regressions to assess the relationship and impact of DCS on FS. The correlation's strength was based on Hair, Bush and Ortinau (2003) (**Appendix-6**).

4.1. Digital Communication Strategy

DCS focuses on all modernised tools, technologies and techniques to maintain, and reach new potential donors' contact and improve their loyalty, including SM and OC & CA, and results are depicted in table (3) below.

Table (3) Digital Communication Strategy Mean

SN	Item	Mean	S.D	Proportional Mean (%)	Rank
1.	UNRWA has a modernized web site that can interact with, and attract, potential donor(s).	6.03	1.13	60.32	3
2.	UNRWA utilises social media accounts such as Facebook, Instagram Twitter and other related ones, effectively.	6.40	1.40	63.97	1
3.	UNRWA adds different materials including videos, reports, success stories to its social media, to attract the attention of donors.	6.20	1.46	61.98	2
	All items of the " Social Media "	6.21	1.19	62.09	
4.	UNRWA develops digital fundraising campaigns to reach more potential donors, regularly.	6.19	1.56	61.90	3
5.	UNRWA utilises special occasions to raise appeals for fundraising efficiently.	6.44	1.37	64.37	1
6.	UNRWA designs different campaign/appeals that can communicate with donor's emotions.	6.34	1.33	63.41	2
	All items of the "Online Campaign/Crowdfunding"	6.32	1.23	63.23	
	All items of the "Digital Communication Strategy"	6.27	1.14	62.66	

(Prepared by the researcher, based on SPSS results, 2024)

4.1.1. Social Media

As indicated in table (3), the respondents' answers to the question if "UNRWA utilises social media accounts such as Facebook, Instagram Twitter and other related ones, effectively" was ranked first by having the highest proportional mean valued at 63.97% followed by the item asking about if "UNRWA adds different materials including videos, reports, success stories to its social media, to attract the attention of donors", which's proportional mean valued at 61.98 %. The respondent input to the question whether "UNRWA has a modernized web site that can interact with, and attract, potential donor(s)" was ranked third by having the lowest proportional mean 60.32%. In general, all items of SM were statistically significant, and were getting a medium level, with a proportional mean of 62.09%.

This result is similar to that of Chang, et al. (2024), who revealed that US-based NPOs had a moderate level of the usage of social media; correspondingly, Briukhno (2023) found Russian NPOs have a good level of usage of the social media.

4.1.2. Digital Campaign / Crowdfunding Appeals

Respondents' input for all items for DC & CA were statistically significant, with proportional mean ranges between 60 – 62 %, which indicates that UNRWA has a medium level of DC& CA. The first ranking was for their response to the item "UNRWA utilises special occasions to raise appeals for fundraising efficiently" which has the highest proportional mean of 64.37%, while the lowest for item "UNRWA develops digital fundraising campaigns to reach more potential donors, regularly" with a proportional mean of 61.90%. In general, the items of the DC & CA were statistically significant, with a proportional mean of 63.23%, which indicates that UNRWA has a medium level of DC& CA.

Aderemi, et al. (2021) and Wang, et al. (2023) reached similar results while examining the factors that contributed to the success of crowdfunding campaigns for NPOs, and with Wenqi, et al. (2025) while investigated the impact of personalized solicitation on online donation campaigns.

4.1.3. Total Digital Communication Strategy

In general, the respondents' answers to items that qualify the "Digital Communication Strategy" at UNRWA, were statistically significant, and indicates that UNRWA operates a medium level of digital communication strategy, with a proportional mean of 62.66%.

These results are attached to the Agency's relatively good efforts to utilise SM the chances to create Appeals, following emergencies, such as the Flash Appeal to relief Palestine Refugees in Syria, after the political erupt in 2013 (UNRWA, 2024), support and relief the impact on Palestine refugees, after the economic deterioration in Lebanon, in 2019 (Flash Appeal Report, Lebanon, 2024) and currently, to relief the humanitarian need of Palestine refugees after the war on Gaza.

Also, the Agency erected one of the successful campaigns, late 2019 and 2020, which was after the global pandemic of COVID-19. While the deficit pops out at US\$ 183.57 million in 2020, the emergency appeals recorded a surplus of \$23.14 million (UNRWA Financial Statement, 2021).

Furthermore, these results correspond with the collected information through interview, analysis of the UNRWA strategic documents and checking analytics of SM at UNRWA and

globally. It revealed that UNRWA uses the SM, with a moderated level, mainly to improve communication, while its usage for fundraising is still at lower level, as detailed hereunder:

A. Digital Communication

UNRWA utilises SM platforms to promote its brand, create better understanding and convey messages. It can be split, based on language, into Arabic and English:

- a. Arabic Language: using basically Facebook which targeted the Arabic speakers of UNRWA staff to deliver the management's overall strategies and plans that may impact the Agency and staff, thus ensure unifying efforts towards that ends. Also, it is used to allow refugees communities and other Arabic speakers interested in UNRWA to interact with the "internal communication Officer" to exchange views and concerns. Followers ranged around one million, during 2024 (UNRWA, 2024).
- b. English Language: UNRWA uses Facebook, Instagram, LinkedIn and X to build UNRWA brand through enhancement of its image and explaining the humanitarian nature of activities, a way from political consideration, trying to build emotional attachment, with main emphasise on western countries (Interview, 2025).

Table (4) UNRWA Social Media -English Version

Social Platform	Media	Followers By Thousands	Posts Impression By Millions	No. of Posts
Facebook		625	4	5290
Instagram		445	72	5290
LinkedIn		341	12	5290
X		258	182	5290
Total		1,669	270	

(Source: ERCD Internal Document, 2024)

B. Fundraising/Donation

UNRWA uses Google Search and Meta for conversion, YouTube and Email Marketing and is exploring other channels, such as digital billboards and Out-of-Home advertising, as part of effort to increase individual donation (UNRWA Resource Mobilisation Strategy 2023-2025). UNRWA's digital communication strategy focuses on building trust and emotional engagement with the donors through publishing human stories and testimonials of beneficiaries, showing the positive impact of their donations on the lives of Palestine Refugees, thus retain their contributions in the future (Kurdyia, 2019).

However, if UNRWA's SM followers compared with those of global users, it indicates a huge gap that UNRWA needs to bridge. By the end of 2024 global SM users reached 18.9 billion, where about 5.22 billion were only users of Facebook and You-tube, which's equal to 63.8 % of the global population, and continue to grow up by 5.2 % annually by a rate of 8.1 new user per a second (Statistica, 2025).

4.2. Dynamic Managerial Capabilities

DMC focuses on managerial human, social and cognitive capitals, and results are depicted in table (5) below.

Table (5) Dynamic Managerial Capabilities Mean

SN	Item	Mean	S.D	Proportional Mean (%)	Rank
1.	Managers are equipped with the required knowledge, experience and competencies.	5.72	1.45	57.22	3
2.	Managers can influence, motivate and lead people, effectively.	6.03	1.36	60.32	2
3.	Managers usually mobilise resources and achieve maximum results with limited resources.	6.17	1.55	61.67	1
	All items of the "Managerial Human Capital"	5.97	1.25	59.74	
1.	Managers deal with trust and integrity with staff.	6.34	1.53	63.41	1
2.	Problem-solving by many members gives better results than by individuals.	6.33	1.46	63.33	2
3.	Managers put a lot of resources into cultivating relationships with different stakeholders/ partners.	6.10	1.22	60.95	3
	All items of the "Managerial Social Capital"	6.12	1.11	61.15	
1.	UNRWA has processes for transferring organisational knowledge to individuals and partners.	5.25	1.20	52.46	3
2.	UNRWA management promotes integrating technologies in the work processes.	6.18	1.25	61.83	1
3.	Managers are matching their goals with those of the organisation.	5.51	1.05	55.08	2
	All items of "Cognitive Capital"	5.65	0.90	56.46	
	Total Items of DMC	5.96	0.98	59.59	

(Prepared by the researchers, based on SPSS results, 2024)

4.2.1. Managerial Human Capital

Total items of the “Managerial Human Capital” were statistically significant, with a proportional mean of 59.74 %, which implies that Managers at UNRWA have a moderate level of the required knowledge skills and can motivate staff towards better performance, with minimum resources.

4.2.2. Managerial Social Capital

Total items of the “Managerial Social Capital” were statistically significant with a proportional mean of 61.15% which implies that UNRWA’s managers comply with the Agency basic ethical considerations, put a lot of effort to hold group, brain-storming and regular meetings to discuss challenges and resolve difficulties, more than individual ones, at a moderate level.

4.2.3. Cognitive Capital

Total items of the “Cognitive Capital” were statistically significant, and the total proportional

of 56.46 %, which implies that UNRWA managers promote technological awareness and improvement, having knowledge transfers approach, without having disparity of their objectives with those of the Agency, at a moderate level.

In general, all items and constructs of the DMC were statistically significant with a proportional mean of 59.59, which implies that the Agency has a moderate level of it. These results go well with those of Bseiso (2022), that revealed a moderate level of managerial practices (65%), of southern Palestinian NPOs; and with Abbott (2021), which showed that non-profit mental health organisations, in the USA, have a moderate level of dynamic managerial levels. It contradicts with Ferreira, Coelhoab & Moutinhoab (2020) which found a high level of DMC, creativity and innovation capability of organisations, but they were profit enterprises in Portugal.

These results are supported by the fact that the Agency has a fully designated Department to manage the work force, including its planning, recruitment, entitlement and benefits, staffing well-being, staffing relationships and career progression (UNRWA Human Resources Department, 2024). It has a well-rounded staffing rules and regulations, which gives special emphasis on maintaining strict adherence to procedures through all recruitment process, to select the qualified staff, with the required knowledge and experience (UNRWA Recruitment policy, 2019).

However, these strict work frames may represent non-flexible patterns that hinder reaching a better level of innovation and creativity, thus results in a higher level of DMC.

4.3. Financial Sustainability

The Agency financial sustainability has been assessed through three constructs, net income, liquidity and solvency, and results are shown in table (6).

Table (6) Financial Sustainability Mean

SN	Item	Mean	S.D	Proportional Mean (%)	Rank
1.	UNRWA's income covers its operational needs.	4.44	1.78	44.44	1
2.	UNRWA's income allows responding to the increasing future humanitarian needs of Palestinian Refugees.	3.17	1.35	31.67	3
3.	UNRWA cuts unnecessary expenses.	4.10	1.41	41.03	2
	All items of the " Net Income "	3.90	1.20	39.05	
4.	UNRWA is able to pay salaries and other cash obligations, timely.	5.65	1.07	57.10	2
5.	UNRWA has been always able to pay all short commitments in cash.	3.90	1.20	39.05	3
6.	UNRWA has a reasonably good cash management strategy.	5.81	1.53	58.10	1
	All items of the "Liquidity"	5.71	1.07	57.10	
7.	UNRWA runs a good system of controlling its liabilities.	5.98	1.68	59.84	1
8.	UNRWA manages its assets appropriately.	5.78	1.62	57.78	2

9.	UNRWA can pay its long-term (12 months) financial obligations.	4.50	1.75	45.00	3
	All items of the " Solvency "	5.25	1.20	52.46	
	All items - "Financial Sustainability "	4.55	1.77	45.50	

(Prepared by the researchers, based on SPSS results, 2024)

4.3.1. Net Income

All items of the "Net Income" were statistically significant with a proportional mean of 39.05%, which implies that UNRWA has a weak level of net income. This result is supported by analysing the Agency net income and income ratio, during the last twelve as illustrated in table (7), hereunder.

Table (7) UNRWA Net Income for the General Funds (years 2012-2023)

Years	Revenues Million \$	Expenses Million \$	Net Income Million \$	Income Ratio (%)
2012	586.98	664.04	(77.06)	-13
2013	618.29	678.86	(60.57)	-10
2014	637.18	667.56	(30.38)	-5
2015	639.10	766.70	(127.60)	-20
2016	676.30	724.70	(48.40)	-7
2017	690.10	773.10	(83.00)	-12
2018	846.30	764.00	82.30	10
2019	621.00	765.00	(144.00)	-23
2020	591.00	774.60	(183.60)	-31
2021	725.60	816.90	(91.30)	-13
2022	783.62	851.48	-67.86	-8.66
2023	817.03	1,019.00	-201.97	-24.72

(Source: prepared by the researchers based on UNRWA Audited Financial Statements, 2012-2023)

As table (7) showed, the Agency has suffered a continued deficit (negative net income) for the general funds almost continuously for all the years from 2012 – 2023, ranging between 10 to almost 25%, in 2023.

It is worth noting that the Agency has three funding portals, one for the general funds that covers the ongoing activities, and the second for the projects and special funds and the third is for emergencies. Analysing further the full funding schemes revealed that the situation still raising worries on the Agency's net income (Interview, 2024).

Figure (2) illustrates the net income since 2012 till 2023, for the total funding portals, where it indicates that net income has a turbulent approach, yet better than general funds.

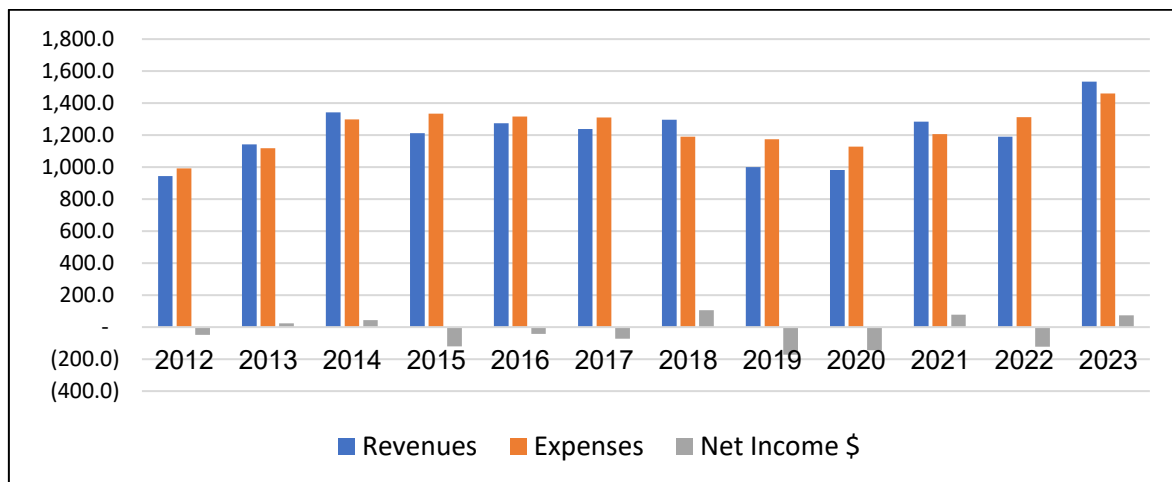


Figure (2): UNRWA Overall Funding Net Income (2012-2023) – Millions USD

(Prepared by the researchers based on UNRWA Audited Financial Statements, for the years 2012-2023)

It generally recorded negative net income, except for 2012, 2013, 2018, 2021 and 2023, where the emergencies' received funds were covering the shortages (UNRWA Audited Financial Statements, 2012-2023).

This result and analytics on UNRWA's net income through the last twelve years, suggest that it must improve the management of its expenditures, and enhance fundraising strategies, including DCS, to get more income to respond to the constant increasing humanitarian needs of Palestinian refugees. Further, it has to invest more in flash appeals and building up on the difficult situation that Palestine refugees face almost in its entire area of operations, in Gaza, West Bank, Syria and Lebanon, with special emphasis on Gaza with the huge destruction due to war between 2023-2025.

4.3.2. Liquidity

As table (6) showed, responses to total solvency items were statistically significant with a proportional mean of 57.10 %, which implies that UNRWA has a moderate liquidity level. This result is confirmed by reviewing the liquidity ratios of UNRWA for the last twelve years,

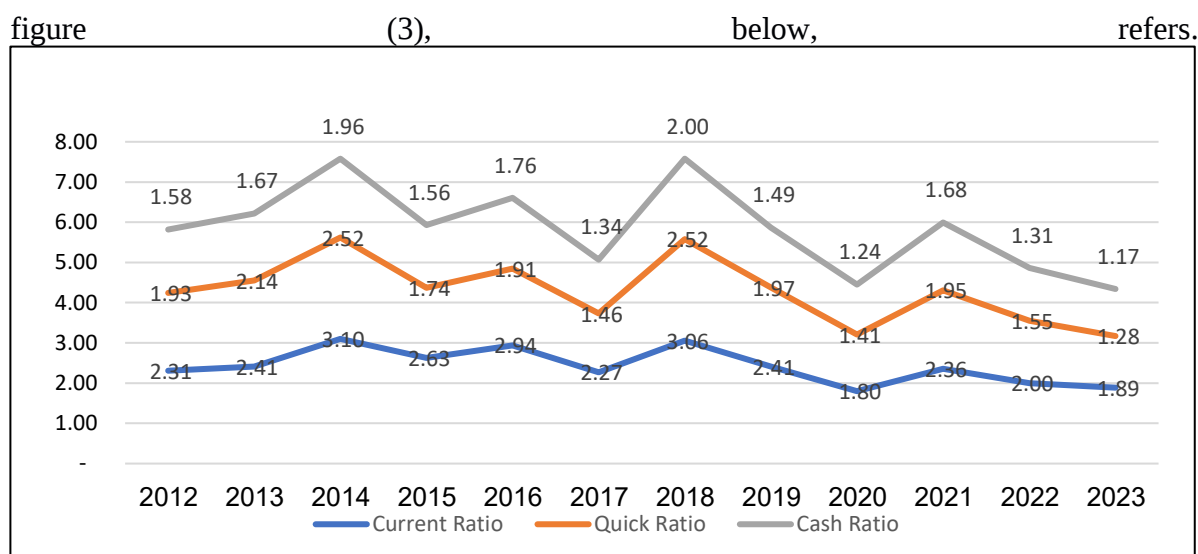


Figure (3): UNRWA Liquidity Ratios

(Source: Prepared by the researchers, based on UNRWA Audited Financial Statements, for the years 2012-2023)

As figure (3) showed the Agency enjoys a moderate level of current ratio ranged between 1.17 and 2, quick ratio between 1.28 and 2.52 and cash ratio between 1.89 and 3.10, which all represent relatively good ratios, which means the Agency is able to meet its short-term (up to 12 months) obligations. However, when comparing these ratios with other UN similar organisations, UNDP, for example, which its current ratio for the same period (2012-2023) ranges between 3.77 and 5.5, quick ratio ranges between 3.6 to 5.39 and cash ratio between 2.41 to 4.12 (UNDP Audited Financial Statements, 2012 – 2023). All of these comparable ratios suggests that UNRWA has to work more to enhance the controlling system over liabilities and improve its cash management system.

4.3.3. Solvency

As table (6) showed, in total all items of the “Solvency” were statistically significant with a proportional mean of 52.46 %, which implies that UNRWA has a moderate level of solvency.

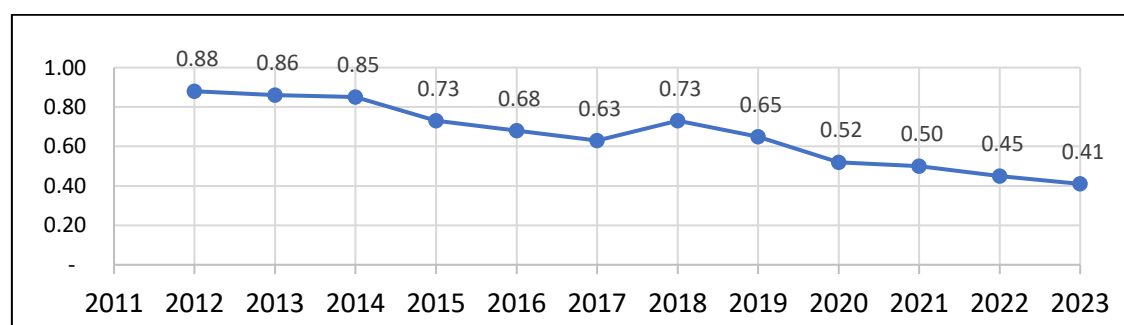


Figure (4) UNRWA General Fund Solvency Ratio (2012-2023)

(Prepared by the researchers, based on UNRWA Audited Financial Statements, 2012-2023)

This result goes with the UNRWA solvency ratios for the general funds over the last twelve years, where it showed a lower than 1.00 ratio for all years (2012-2023), which means that the Agency, if dissolved, cannot meet its long-term obligations, figure (4) above, refers.

4.3.4. Overall Financial Sustainability

In general, all items of the FS" were statistically significant, with a proportional mean of 45.5%, which implies that UNRWA has a low to moderate level of financial sustainability.

Many studies explored the Financial Sustainability, and concluded it as an indicator for the organisation performance: Wijayasooriya (2024) assessed the readiness of NPOs in the developing countries to adopt performance measurement frameworks, and emphasised the use of basic measurement instruments; Makeche, & Chowa (2022) checked and confirmed many factors impacted NPOs' performance; Garcia-Segura, et al (2021), Park & Cho (2020) reached similar conclusions.

Analysing the Agency's ability to hold cash to run operations without any income streams, which is known as Cash Reserve or defensive intervals, for the period 2012 – 2023, indicated that it was relatively good, however, it can be improved when compared with other similar UN programmes (UNDP and UNHCR), table (8) refers.

Table (8) UNRWA Cash Reserve (#days), Compared with UNDP and UNHCR

Years	UNRWA	UNDP	UNHCR
2012	125	111	150
2013	129	104	90
2014	145	93	90
2015	142	108	102
2016	110	138	90
2017	131	158	78
2018	90	228	78
2019	90	198	66
2020	90	216	81
2021	90	192	81
2022	80	185	83
2023	80	175	83

(Source: prepared by the researchers, based on Audited Financial Statements of UNRWA, UNDP and UNHCR for the years 2012 till 2023).

This result suggests that the Agency must increase efforts and explore new avenues of funding, through revitalizing its DCS to improve its FS; and equally it has to improve its efficiency and cut in non-necessary costs, to reduce the expenses to maximum possible, without scarifying the quality of services provided to Palestinian refugees.

4.4. Hypotheses Testing

Introduction

The relationship between the study variables is checked by using regression analysis while the impact through the multiple regression analysis, as referred by much of previous studies.

4.4.1. Hypothesis #H1

Table (9) Correlation Between UNRWA DCS and its FS

Construct	Net Income		Liquidity		Solvency		Financial Sustainability	
	R	Sig.	R	Sig.	R	Sig.	R	Sig.
Social-Media	.529*	≤ 0.001	.558*	≤ 0.001	.486*	≤ 0.001	.601*	≤ 0.001
Digital Campaign/ Crowdfunding	.443*	≤ 0.001	.444*	≤ 0.001	.376*	≤ 0.001	.481*	≤ 0.001
Digital Communication Strategy	.516*	≤ 0.001	.531*	≤ 0.001	.457*	≤ 0.001	.570*	≤ 0.001

* Correlation is significant at the 0.05 level

(Source: Prepared by the researchers, based on SPSS results, 2024)

As Table (9) indicates, the relation between UNRWA's SM and its FS is statistically significant, positive and moderate with coefficient (R=0.601). This is a reflection of the same construct's correlation with the multi-dimensional FS, where it is positive and moderate with Net Income (R=0.529), Liquidity (R=0.558) and Solvency (R=0.486).

Therefore, the researchers got an empirical prove that *"There is a significant positive relationship between UNRWA Social Media and its Financial Sustainability"*.

The result suggests that the Agency has understood the importance of SM, to support its work to increase the donations. However, its efforts concentrate on communication and raising awareness of audience majorly; its usage to get some donation was very limited (Interview, 2025). The agency should develop the available and famous SM tools, such as Facebook, Instagram, TikTok and alike, to turn visitors and followers into potential donors, and ensure they are turned into permanent ones.

Further, table (9) showed that the correlation between UNRWA's DC & CA and its FS is statistically significant, positive and moderate with coefficient (R=0.481). This is a reflection of the same construct's statistically significant correlation with the multi-dimensional FS, which is positive and moderate with Net Income, (R=0.443), Liquidity, (R=0.444) and Solvency, (R=0.367). Therefore, the researchers got an empirical prove that *"There is a significant positive relationship between UNRWA Online Campaign and Crowdfunding/Appeals and its Financial Sustainability"*.

This implies that UNRWA must improve its OD & CA efforts, where the current level of income are limited to contact private donors, which secured a relatively small amount of funds, compared to its budget (UNRWA Audited Financial Statements, 2012-2023). Currently, the Agency refrain from getting the support of paid digital campaign sites, as its policy restrict this, which linked to it fears that it might impact some donors' willing to donate (Interview, 2025). It may however explore the dependence on internal resources to develop such campaigns or work to change such policy with good communication tools to reach potential donors in this sector to explain the reason behind such actions.

In total, UNRWA DCS correlation with its FS is statistically significant, positive and moderate with coefficient value at (R=0.570). This is a reflection of the same construct's statistically significant correlation with the multi-dimensional FS, which is positive and moderate with Net Income, (R=0.516), Liquidity, (0.531) and Solvency, (0.457).

Therefore, the researchers got an empirical prove that “*There is a significant positive relationship between UNRWA Digital Communication strategy and its Financial Sustainability*”.

These results suggest that the Agency recognises the importance of DCS, including SM and OC & CA and has some efforts to reach potential donors, but still has to exert more efforts and explore crowdfunding options. New ideas of using some of the private specialised organisations to support these efforts is a good idea, as UNRWA lacks such competencies.

Many scholars explored the relationship between SM, OC & CA with FS. Aakriti (2024) conducted comprehensive analysis of the SM in the context of non-profits, and concluded its positive role in their performance. Wenqi, et al. (2025) explored the positive relationship of the personalized online donation campaign on the amount of collected money and behaviours of donors, while giving money. Chang, et al. (2024), revealed that SM play an outsized role in information dissemination, resource mobilisation and public influence. Equally, Briukhno (2023), claimed the positive role of SM in public relations, and concluded that SM is the most popular online communication channel of non-profits in Russia. Brockhaus, et al., (2022), and Sulaeman (2020) revealed the relevance of different dimensions of digitalization strategies on the digital maturity of communication, and thus organisations well-being and well performance. Stefano, Tursunbayeva & Antonelli (2019), reached similar results by confirming the positive relationship between SM and non-profits' fundraising efforts, and their financial sustainability. González-Cacheda & Outeda (2021) and (Banerjee, 2020) revealed that crowdfunding has a positive relationship with the resource mobilisation, and that usage of digital tools, facilitated and improved individual philanthropic contribution.

4.4.2. Hypothesis #H2

To test this hypothesis, multiple linear regression was performed, and results are depicted in table (10) below.

Table (10) Multiple linear regression analysis

Variable	B	T	Sig.	R	Adjusted R ²	F	Sig.
(Constant)	0.107	1.261	0.055	0.646	0.398	21.644**	≤ 0.001
Digital Communication Strategy	0.407	4.369*	≤ 0.001				

* The variable is statistically significant, ** The relationship is statistically significant, at 0.05 level
(Source: prepared by the researchers, based on SPSS results, 2024)

The Analysis of Variance for the regression model shows (F) value equals 21.644 and (sig.) less than 0.05, which implies that the developed model to examine the impact of DCS on the FS fits for the purpose and indicates a significant relationship between them. The multiple correlation coefficient (R) value equals 0.646 which indicates a moderate relationship between the DCS that UNRWA employs and its FS, while the adjusted R-Square equals (0.398), which means there is a positive impact and 39.8% of the variation in UNRWA's FS is explained by the DCS's construct (SM and OC & CA). Further, it denotes that 60.2 of the impact on FS comes from other sources than DCS that can be referred to:

a. The political and economic considerations that may impact the will and level of donation.

- b. The Agency's efficiency in spending the funds, and if there are ways to rationalise the expenditure.
- c. Other fundraising strategies, such as networking and income diversification.

These results correlate with Change, et al. (2024), Bruikhno (2023), MacDonell & Bahti, (2020), and Stefano et al. (2019) who concluded a positive impact of SM on FS. Wenqi, et al. (2025) revealed a positive impact of the personalized online donation campaign on the amount of collected money. Brockhaus, et al. (2022) and Sulaeman (2020) revealed the positive impact of different dimensions of digitalization strategies on the digital maturity of communication, and thus organisations well performance and sustainability, while González-Cacheda & Outeda (2021) and (Banerjee, 2020) revealed that crowdfunding have a positive impact on the resource mobilisation, and that usage of digital tools, facilitated and improved individual philanthropic contribution to projects.

4.4.3. Hypothesis # H3

To examine this hypothesis, the regression and interaction (between DMC and DCS) were assessed, and results are depicted in table (11), below.

Table (11) Moderating Role - DMC

Variable	Coefficient	T	P-value	R ² change	F	P-value
(Constant)	6.1743	2.1623*	0.0326			
DCS	0.8502	4.1483*	0.0031			
DMC	0.9215	1.7409*	0.0421			
Integration	0.8791	3.4896*	0.0014	0.0920	16.1981	0.0014

* Correlation is significant at the 0.05 level

(Source: prepared by researchers, based on Process Macro SPSS results, 2025).

Results indicated that DCS have a statistically significant impact on FS. DMC has a significant impact by itself (sig.=0.0421) and by interaction with DCS (sig.=0.0014) on FS. It enhances the impact (change in R²) by 15.2%, which is considered a moderate impact, and can be referred to the strong structured hierarchy of UNRWA, where the role of managers is governed by well-defined rules and regulations, hence they have little latitude to introduce innovate ideas or create ways of doing job differently.

5. Conclusion and Recommendations

Results are presented precisely, with an overall view to the whole research variables, so as link them directly recommendations.

5.1. Digital Communication Strategy

Results indicated that UNRWA's level of digital communication strategy is moderate with proportional mean of 62.66 %, which complements with its limited efforts to utilise SM mostly to promote the Agency's brand, create better understanding and convey messages, and with its approach to employ OC & CA during emergencies only. The Agency need to invest and benefit more on these important tools, including getting the services of paid services, which is considered a substantial power in fund generating.

This suggests that UNRWA has to exert more efforts to go with the base of global evolvement in the area of digitization and have an agile, creative and responsive DCS that links with, and supports fundraising; the following measures are recommended:

- a. Revitalize UNRWA web, using international experts, to be more attractive, state-of-art based and contain a lot of good stories; improve its broadcast and traffic, using famous search engines.
- b. Enhance the presence in social media, especially those famous ones, such as YouTube, Facebook, Instagram, X, and develop a strategy to turn these sites into donation hubs.
- c. Promote UNRWA brand to increase followers, and turning these into actual donors, including transforming its public image and perception from a “tired” and “old” entity to a force of good that served the stability in the middle east and contributed to the peace for decades.
- d. Plan, design and implement an efficient fundraising campaign, building on major events that Palestine refugees survive. This may include getting the services of paid fundraising providers.
- e. Create in-house Digital/Creative and Multimedia unit to produces compelling multimedia packages and stories.
- f. Create Digital communities: which consist of active supporters such as volunteers, partners, donors, and advocates connected through various social media platforms, and they can allow UNRWA to reach more people, amplify their message and increase their overall impact.

5.2. Dynamic Managerial Capabilities

UNRWA dynamic managerial capabilities were moderate with proportional mean of 59.59 %, as a reflection of moderate level of its all constructs: managerial human capital, 59.74 %, managerial social capital, 61.15 % and cognitive capital, 56.46 %.

This suggest that there is a room to improve the management role to lead organisation based on their knowledge, experience and competencies, and how to influence people and transform resources towards achieving objectives and improving competitiveness, considering trust, integrity and building partnerships with all stakeholders. Considering that moderating role that DMC can play and enhance UNRWA's FS (by 15.2%), the following are recommended:

- a. Monitor the global threats and opportunities to develop new ideas for fundraising, thus be proactive and meet challenges, timely.
- b. Create a hub for knowledge sharing and continuous improvement to the way work is done; manage the process with continual learning and improvement.
- c. Develop a leadership progromme, starting from careful selection, delegating, empowering, knowledge sharing, Training, exchange programme with other organisations.
- d. Exert more efforts in the job design to develop special profiles, job description and job requirement; improve recruitment to have a more flexible system to attract special talented.
- e. Initiate an incentive scheme to promote superior performance of management team and staff at large.

- f. Promote creativity and allow new ideas to evolve, especially in reaching new funding avenues.

5.3. Financial Sustainability

UNRWA's FS was low to moderate, with a proportional mean valued at 45.5 %, which can be referred to a low level of net income, 39.05 %, and moderate level of liquidity, 57.10 %, and Solvency, 52.46 %. These results were proved when reviewing the Agency financial statement for the last twelve years, and when comparing same ratios with other UN similar organisations, UNDP, for example, where in the latter were better, in net income, liquidity and solvency. This necessitates the Agency to take serious and urgent measures to improve its income, (which was covered in para 5.2. above, and to work more to enhance the controlling system over liabilities and improve its cash management system:

- a. Continuously review, evaluate and adjust programmes and activities to ensure efficiency and relevancy to achieve UNRWA's major goals.
- b. Enhance the role of "Evaluation teams" (the Department of Internal Oversight), to add the role of evaluation of costing and expenditures covering all aspects of the Agency activities, including staff cost.
- c. Exchange expertise with other similar UN organisations to enhance cash management to improve the Agency's ability to meet its financial obligations.
- d. Create a culture of continuous improvement that puts greater emphasis and measurement of financial sustainability through improved productivity and increased value for the Agency and beneficiaries.

6. Research limitations

Time: the study was conducted between the years 2024 and 2025, which represents a sensitive junction of the life of UNRWA and Palestinian people.

Location & Society: it covers only UNRWA at Gaza, Jordan, Lebanon, Syria and West Bank, and the questionnaire was run over ERCD staff.

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