

Giving Korea 2025: Exploring the Perception of Organizational Activities and Impact Amid a Changing Environment

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Keywords of Giving Korea 2025

**Changing
Environment**

Impact

Sustainability

**Role of
Nonprofits**



Background

1. Crisis of the Nonprofit Sector

- Since the end of the COVID-19 pandemic, many sectors are experiencing social change. These are “Turbulent Times.”
- Concerns about uncertain revenues, rising expenses, increasing program demand, and sustainability are spreading. (2024 National Survey of Nonprofit Trends and Impacts)
 - Rising concerns about stable sources of revenue & organizational sustainability



Changing
Environment

Sustainability

Nonprofit Leaders' Top Concerns Entering 2025

An Analysis from the Nonprofit Trends and Impacts Study

Katie Fallon, Hannah Martin, Grace Koch, Laura Tomasko, Elizabeth T. Boris, Jesse Lecy, Mirae Kim, and Lewis Faulk

April 2025

Entering 2025, nonprofit leaders were most concerned about the intersecting challenges of financial instability owing to uncertain revenues and rising expenses, increasing program demand, and supporting their workforces amid these changes. In this brief, we present survey data from late 2024 on these concerns among nonprofit leaders for their organizations in 2025. The themes emerging from this analysis—concerns about sustainability, balancing increased demand with decreased funding, and stability in a shifting funding landscape—all point to a prevailing sense of concern among organizational leaders. Many feel unable to estimate whether this is a “one-off” or a new normal.

Background

2. Crisis and Impact of the Nonprofit Sector

- An age of competition around limited resources – Competition for inflow of resources
 - Emphasis on ‘organizations that have impact’
- Amid crisis and uncertainty, the impact of a nonprofit is the language of its legitimacy
 - Impact has a close connection to the raison d’ être of an organization
- The more difficult the environment becomes, emphasis is placed on the need to return to the essence
 - Impact is a way to explain the organization’s mission and long-term changes
 - During a crisis, nonprofits receive many questions on ‘Why they should exist’ that goes beyond carrying out their work

*Regression to the essence amid a changing environment
What is our perception of impact? Why is impact important?*



Background

Impact

3. Trends in Studies on the Impact of the Nonprofit Sector

- Lack of research on the impact, performance of South Korea's nonprofit sector
- Interest in “impact” begins from the pressure of the external environment rather than performance evaluation or the organization's internal efficiency (Benjamin et al., 2023; Hwang & Powell, 2009; Bromley & Powell, 2012)
- Observations of the discussions on the concepts and dilemmas of the nonprofits' social impact, centered on recent foreign literature (ARNOVA, 2025; Benjamin et al., 2023)
- Practical dilemmas of nonprofit leaders regarding impact (Benjamin, Ebrahim, & Gugerty, 2023, p. 314s)
 - “What to evaluate? “For what purpose?” “Using which criteria?” “With what methods?”



Background

Impact

3. Trends in Studies on the Impact of the Nonprofits Sector

- Impact evaluation is centered on 'programs' or 'projects'
 - Focused on short-term quantitative outcomes
 - Need to expand concepts at the organizational level: Need for exploration of the relationship between impact and organizational strategy, culture, and capacity (Benjamin et al., 2023; Ebrahim, 2019)
- Of the three aspects of accountability, approach to impact is focused on external parties (upward accountability - corporates, government, donors, etc.)
 - Lack of approach to impact reflecting the views of the organization's internal parties (internal) & members/beneficiaries (downward)
 - Traces of measuring impact 'for show' (Buckmaster, 1999; Mitchell & Berlan, 2016; Riddell, 1999)
- Need for studies on diverse views, approaches, and organizations regarding impact
 - Emphasize the uniqueness of organizations
 - Perceive that a single standard of measurement can't be applied to all organizations



Introduction

Impact

**Impact through
giving**

**Seen through
the lens of donors
in Giving Korea 2024**

**Impact of nonprofit
activities**

**Seen through
the lens of nonprofits
in Giving Korea 2025**



Questions in Giving Korea 2025

-Perception
of environment
-Perception
of impact
-Sustainability
-Future direction

- Nonprofits today
 - What changes are you experiencing in your environment?
 - What changes are the perceptions to the environment bringing to the internal management of your nonprofit?
- Nonprofits' perception of impact
 - How much contribution do you think nonprofits are making to bringing about social change?
 - What are the factors influencing the perception of 'impact'?
- Future of nonprofits: Sustainability of nonprofits
 - What is your evaluation of your financial and managerial sustainability?
 - Does the perception of 'impact' influence sustainability?
- Future direction of 'impact' and 'sustainability' of nonprofits
 - Why is it difficult to measure the impact of nonprofits?
 - What perspective should 'performance', 'change', and 'impact' be approached with?



Research Method



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Research Method

1. Online survey (for nonprofit workers)

- Online survey conducted via KSTAT
- Organizations with 5 or more staffs
- Survey period: May 19th ~ June 9th, 2025
- Total of 657 people, 425 organizations
 - Respondents include one person in middle management or higher position with a perception of the organization's role and the sector

2. Use of results from Giving Korea 2024 survey

- Used results of survey on impact through donations from the general public
- Compared the perspectives of the general public and nonprofits on impact and role



Research Method: Survey Contents



Composition of Survey	
Information of organization	Activities and information of organization
Perception of the environment	- General environment (economic & political) - Fluctuation in revenue (individual, corporate, overseas, government, etc.) - Fluctuation in service & management (beneficiaries of support, service users, programs, donors, organization staff)
Trust in nonprofits	- Trust in society in general - Trust in nonprofits
Capacity of nonprofits	Capacity of nonprofit (18 questions, Board of Directors, external environment, programs, mission, management, finance)
Sustainability	- Financial sustainability - Operational sustainability
Impact	- Perception of impact of nonprofits (Used Giving Korea 2024 question on perception of social change through donations) - Experience in measuring performance - Reason impact is difficult to measure (Open-ended question)
Outlook	Future role of nonprofits

**Research
Method:
Methods of
Analysis**

Survey

- SPSS, Mplus, MS Excel
- Descriptive Analysis, t-test, ANOVA
- Regression Analysis, Multinomial Logistic Regression
- Open-ended answers - Frequency analysis



**Survey
Participants:
Individuals**



Demographic Characteristics		Freq.	%
Gender	Female	(408)	62.1
	Male	(190)	28.9
	Other	(59)	9.0
Age	20s	(96)	14.6
	30s	(274)	41.7
	40s	(183)	27.9
	50s or over	(104)	15.8
Current Position	Top Manager	(25)	3.8
	Middle Manager	(265)	40.3
	Staff	(359)	54.6
	Other	(8)	1.2

Demographic Characteristics		Freq.	%
Status of worker	Fully-employed	(603)	91.8
	Temporary	(51)	7.8
	Other	(3)	.5
Duty	HR/Legal	(44)	6.7
	Financial accounting	(161)	24.5
	Operations (Purpose business)	(164)	25.0
	PR/Marketing/External relations	(72)	11.0
	Education & research	(46)	7.0
	Planning/General Management	(82)	12.5
	Resource development & management	(31)	4.7
	Computer & technology	(7)	1.1
	Other	(50)	7.6

**Survey
Participants:
Organizations**



Organizational Characteristics				Sector	Area	Freq.	%
Type of legal entity	Foundation	(137)	32.2	Activities (N = Under 10 has been excluded/ Multiple choice)	Culture & arts	88	20.7
	Incorporated association	(270)	63.5		Sports	24	5.6
	Group considered legal entity	(18)	4.2		Academic research	95	22.4
Type of organization	Fundraising	(129)	30.4		Scholarship	59	13.9
	Grant-making	(75)	17.6		Social welfare	152	35.8
	Direct service provider	(232)	54.6		Emergency situation & aid	38	8.9
	Other	(88)	20.7		Environment & animals	58	13.7
Organizational size (No. of staff)	Less than 20	(297)	69.9		Economic, social, & community development	45	10.6
	20 ~ Less than 30	(42)	9.9		Residence	15	3.5
	30 ~ Less than 100	(55)	12.9		Employment & training	14	3.3
	100 or more	(31)	7.3		Civil & advocacy groups	62	14.6
Years of establishment (Years)	Less than 10	(89)	20.7		Allocation (support) foundation	40	9.4
	10 ~ Less than 15	(88)	20.7		Promotion of volunteerism	20	4.7
	15 ~ Less than 20	(87)	20.5		Fundraising	65	15.3
	20 or more	(161)	37.9		International activities	50	11.8

Results – Perception of Environmental Changes in the Nonprofit Sector

I. Comparison of This Year's & Last Year's Perceptions of Nonprofit Giving Environment & Changes in Social Environment

Perception of External Environment

N = 657	① Very negative		② Slightly negative		③ Similar		④ Slightly positive		⑤ Very positive		Total						Average – 5 points
											Negative		Similar		Positive		
Overall giving environment	35	8.2	176	41.4	169	39.8	30	7.1	15	3.5	211	49.6	169	39.8	45	10.6	2.56
Economic situation	97	22.8	198	46.6	98	23.1	22	5.2	10	2.4	297	69.4	98	23.1	32	7.6	2.18
Political situation	95	22.4	141	33.2	121	28.5	55	12.9	13	3.1	236	55.6	121	28.5	68	16.0	2.41

- High perceptions of the instability of economic and political situations
- The overall environment of charitable giving and economic situation are especially perceived as negative compared to last year
- Perceptions of the political and economic environments also influenced the sustainability (in terms of finance and operations) of the organization (positive perception of environment → expectations for improvement in financial stability, standards of service)



**Negative evaluation
of economic situation
& fundraising
situation (reduction
of donations, etc.)**

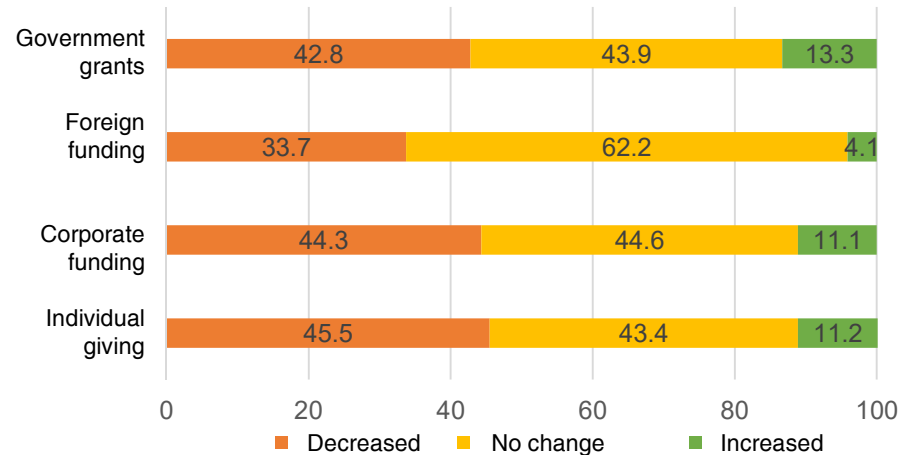
I. Comparison of This Year's & Last Year's Perceptions of Nonprofit Giving Environment & Changes in Social Environment

Perception of changes in environment

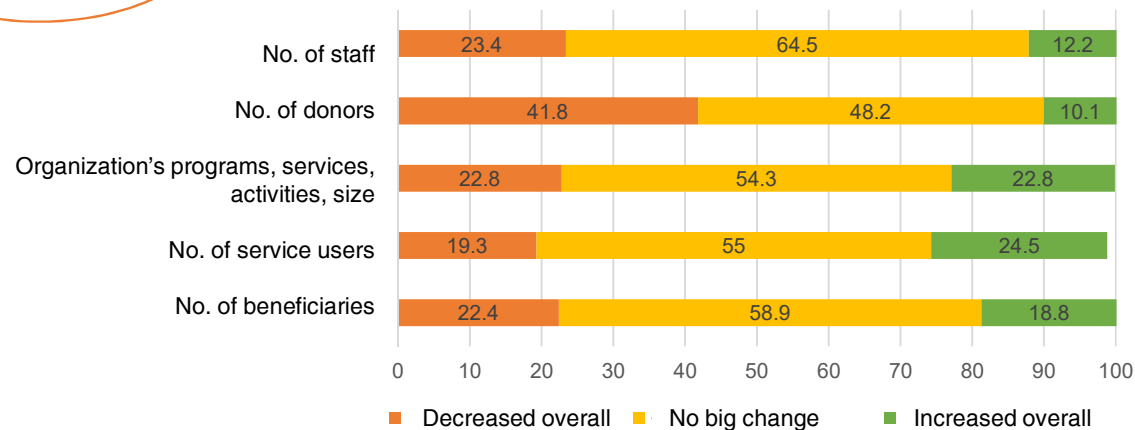
Fluctuation in revenue

Changes in management

Fluctuation in revenue



Changes in management



- **Reduction of donations**
Animals, environment activities increased vs. Civil advocacy activities decreased

- **Didn't influence downsizing of staff, decline in programs, activities, services**

- **On the contrary, some experienced increase in activities and number of users**

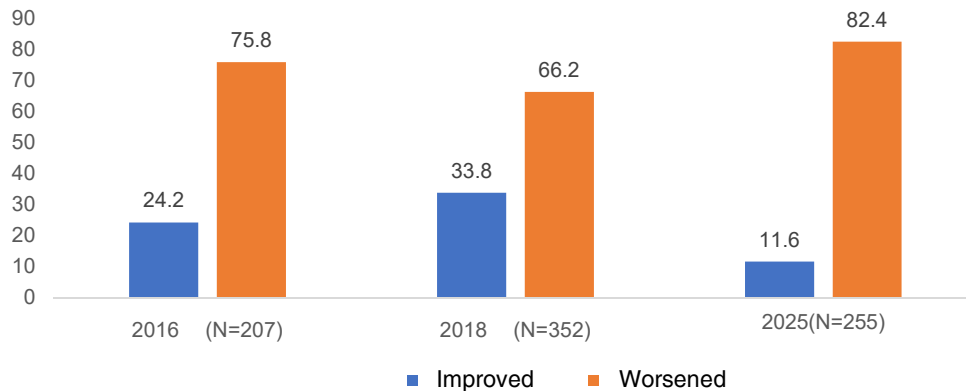
Social role of nonprofits highlighted in an unstable environment?



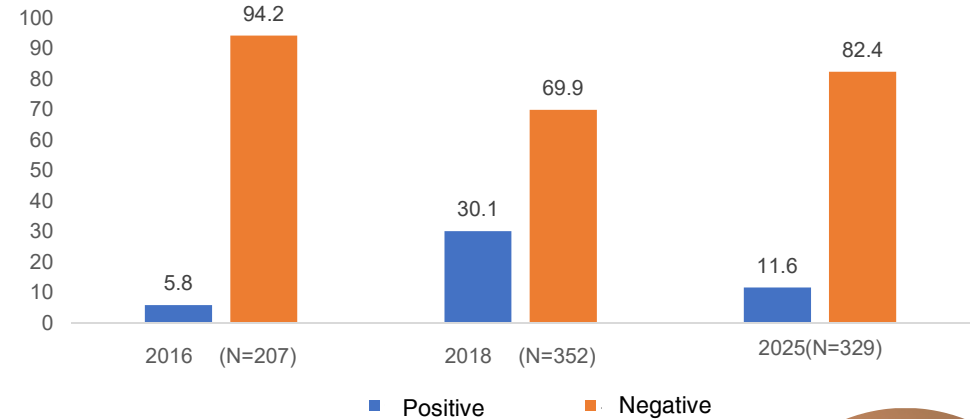
I. Comparison of This Year's & Last Year's Perceptions of Nonprofit Giving Environment & Changes in Social Environment

Perception of External Environment: Compared with Past Data

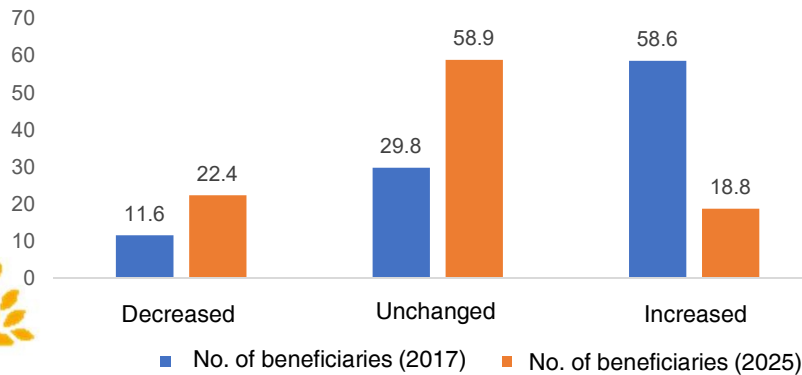
This year's giving environment compared to the past



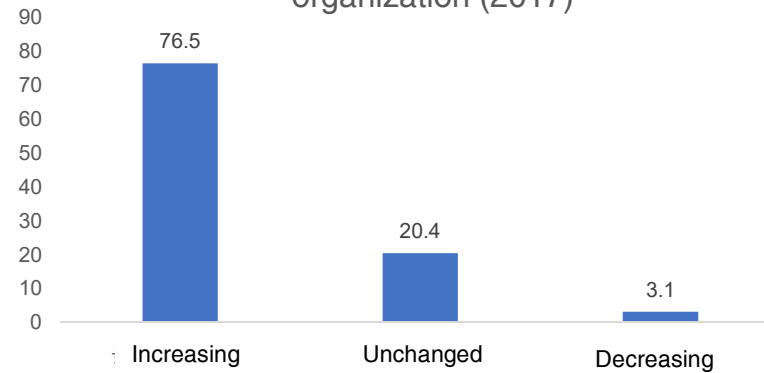
This year's economic situation compared to the past



Changes in number of beneficiaries compared to previous year



Social consensus on issues dealt by the organization (2017)



Negative perception of environment, reduction of activities compared to the past



Financial & Operational Sustainability

- *Financially stable enough to pay ‘staff their wages for the next year’*

	N	%
Very unstable	49	7.5
Generally unstable	145	22.1
Generally stable	333	50.7
Very stable	130	19.8
Total	657	100.0

- *Sustainability of current operations, ‘activities, services for the next year’*

	N	%
Expect most to be terminated	8	1.2
Expect some to be terminated	117	17.8
Expect current level to be maintained	436	66.4
Expect level of services to improve	96	14.6
Total	657	100.0

- The negative perception of the environment isn't due to the current reduction in operations, but concerns for the financial situation in the near future and operational sustainability exist
- Among the areas of activity, the **civil and advocacy groups'** instability of financial sustainability is relatively high
- For the groups with low financial and operational sustainability, the **organization's internal capacity, organizational culture** were more of a reason than the organization's general characteristics



Results – Perception of Impact



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1) What is the impact created by nonprofits?

“difference made,” short term or long term, at individual, community, or societal levels, seeking to make a change” (Benjamin et al., 2023, p. 315s; Ebrahim, 2019, p. 15)

- Bringing "social change" and "resolving social problems" through the activities of nonprofits
 - *“How much impact do you think your activities will have on social change?”*

	No impact	←		Ave. Impact	→		Impact	Ave.	S.D.
How much impact do you think the activities of your organization will have on social change?	(10) 2.4	(6) 1.4	(15) 3.5	(77) 18.1	(135) 31.8	(121) 28.5	(61) 14.4	5.18	1.28
How much impact do you think the activities of all nonprofits in our society will have on social change?	(5) 1.2	(4) .9	(9) 2.1	(83) 19.5	(133) 31.3	(138) 32.5	(53) 12.5	5.26	1.14

Perceive the activities of nonprofits to have a positive impact on social change



I. Meaning of Impact

1) What is the impact created by nonprofits?

Category (Our organization's activities_)		2025 (Nonprofits)		2024 (Individual donors)	
		Ave.	S. D.	Ave.	S. D.
Influence on individuals	Influence someone in a positive way	3.34***	0.57	3.24	0.61
	Provide help to someone	3.39***	0.57	3.26	0.62
	Change someone's life	3.25***	0.66	3.12	0.67
Influence on society	Bring highly positive social impact	3.17***	0.62	3.02	0.64
	Contribute to expanding the participation of citizens in general charitable giving	2.64	0.79	2.99***	0.67
	Contribute to changing the perception of social responsibility	3.03	0.67	2.99	0.70
	Contribute to complementing the weak areas of the government's support to the community	3.09	0.70	3.10	0.63
	Contribute to enhancing the perception that our society is a warm and healthy society	3.04	0.70	3.16***	0.64
		3.12	.47	3.11	.65

Out of a total of 4 points : Organizational unit analysis N = 425



Environmental perception & impact

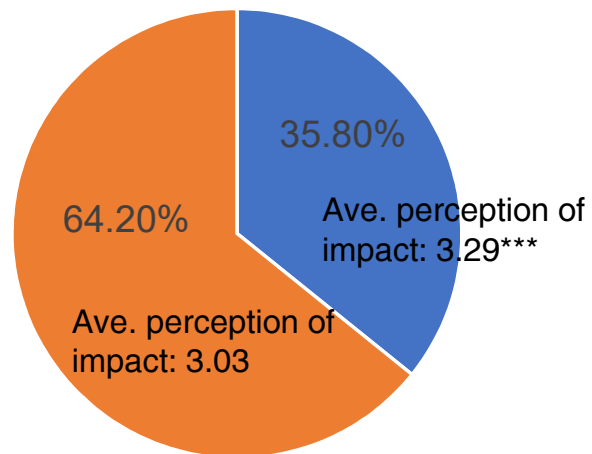
- **Decrease & increase of finance are unrelated to perception of impact**
- **Increase in number of beneficiaries/users is related to high perception of impact**

2. Factors Influencing High Perception of Impact

Factors Influencing Perception of Impact

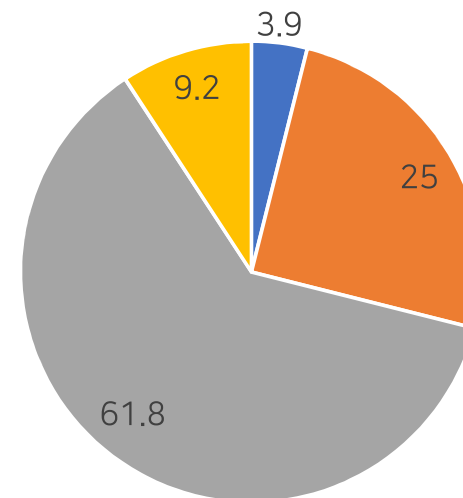
1) Experience in measuring or monitoring impact (N = 425 organizations)

Experience in impact measurement



■ Yes ■ No

Cycle of impact measurement



■ Quarterly ■ Semiannually ■ Annually ■ Every few years (irregularly)

**Experience
in performance
measurement
influences high
perception
of impact**

**But the cycle
of the
measurement is
irrelevant**



2. Factors Influencing High Perception of Impact

Factors Influencing Perception of Impact

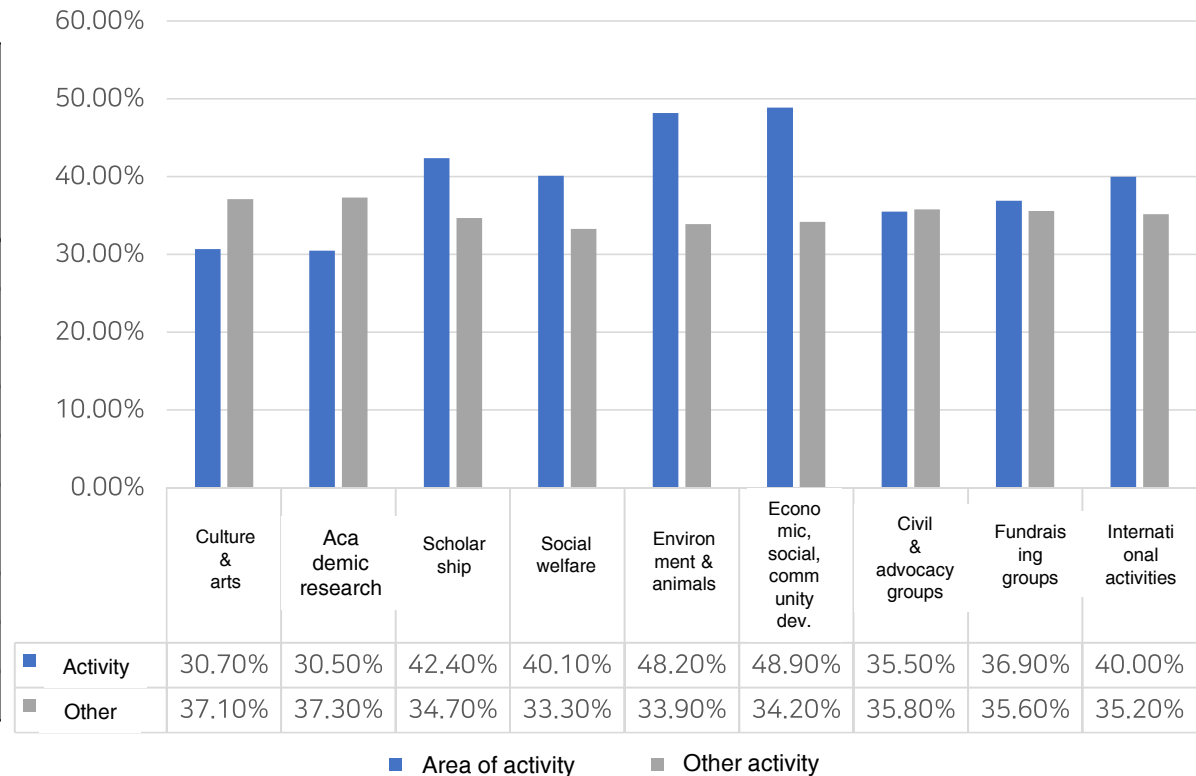
2) General characteristics of organization (N = 425 organizations)

- Type of legal entity, longevity, organizational size are unrelated to perception of impact
- Differences in perception exist between areas of activity

Perception of impact		Comparison (Perception of impact of organizations that don't carry out related operations)
Culture & arts (N=88)	3.05*	3.15
Academic research (N=95)	3.04	3.15
Scholarship (N=59)	3.23	3.11
Social welfare (N=152)	3.21**	3.07
Environment & animals (N=56)	3.17	3.12
Economic, social & community development (N=45)	3.15	3.12
Civil & advocacy groups (N=62)	3.24**	3.10
Fundraising groups (N=65)	3.25*	3.10
International activities (N=50)	3.26*	3.11



Experience in Measurement



2. Factors Influencing High Perception of Impact

Factors Influencing Perception of Impact

3) Internal Capacity of Organization

	Ave.	S. D.
Board of directors Board's expertise, diversity, level of understanding of organizational governance	3.45	.78
External environment Stability of external environment	3.38	.85
Program efforts Concentrated on implementing new programs, expanding scope of activities which increase the number of users	3.32	.71
Mission Influence of mission on community, clarity, alignment of activities with mission	3.71	.68
Management Development of staff leadership & development of expertise	3.18	.91
Financial stability Secure stable financial resources	3.03	.85

- Internal capacity is related to perception of impact
- Do organizations with high internal capacity have an interest in measuring performance?
 - Organizations with experience in measuring performance have high internal capacity
 - But there is a difference in financial stability
 - *Implies that measuring performance isn't due to securing a stable revenue stream*

2. Factors Influencing High Perception of Impact

Factors Influencing Perception of Impact

4) What factor in particular influences perception of impact?

- Of the diverse factors, which factor is most important?

	Model	B	Beta	t	Sig.
	(Constant)	1.39		10.43	<.001
Internal capacity	BOD	0.08	0.14	2.76	.01
	Environment	-0.01	-0.01	-0.22	.83
	Programs/Operations	-0.01	-0.02	-0.47	.64
	Mission	0.30	0.43	8.27	<.001
	Management	0.04	0.07	1.34	0.18
	Finance	0.05	0.09	1.98	0.05
Experience performance measurement	Experience impact measurement	0.13	0.13	3.44	<.001
Areas of activity	Culture & arts	0.00	0.00	0.02	0.99
	Academic research	-0.01	-0.05	-1.29	0.20
	Scholarship	0.01	0.03	0.67	0.50
	Social welfare	0.02	0.10	2.26	0.02
	Environment & animals	0.00	-0.01	-0.24	0.81
	Economy, social & community development	0.00	-0.03	-0.76	0.45
	Civil & advocacy groups	0.01	0.08	1.98	0.05
	Fundraising activities	0.01	0.09	2.20	0.03
	International activities	0.00	0.02	0.38	0.71

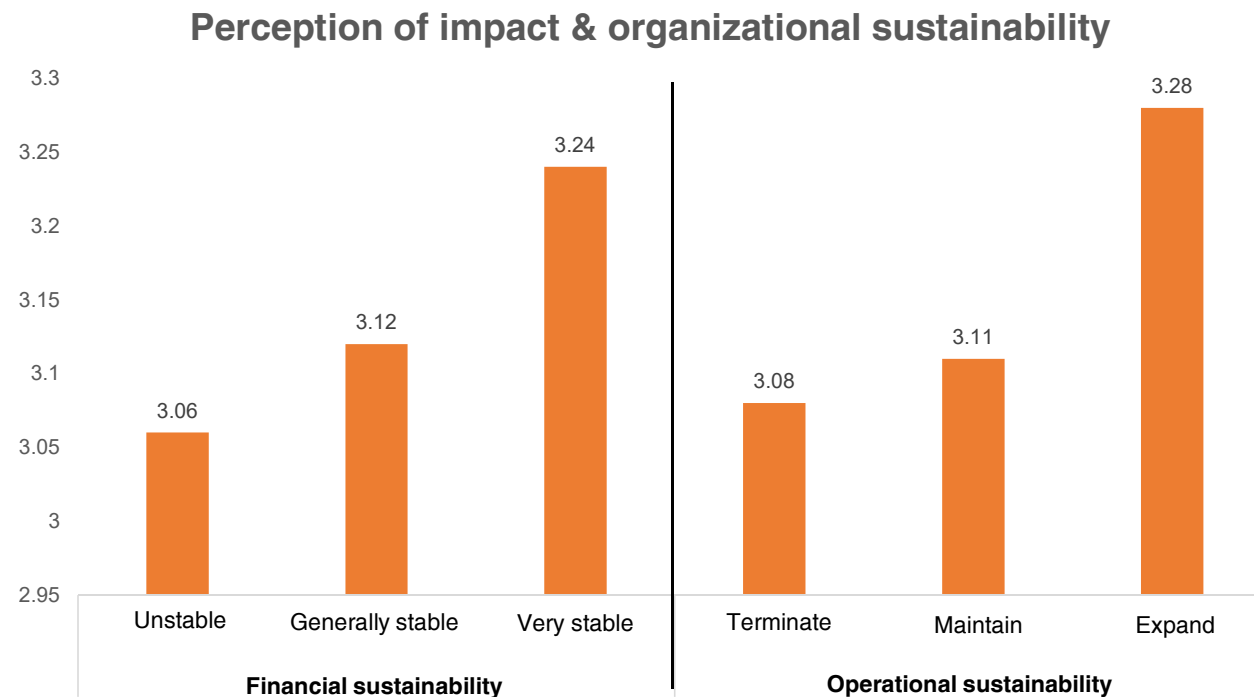
Organizational type, legal entity type, workforce size, establishment years controlled – No significant variable

- Internal capacity
 - Clear mission, alignment of activities and mission
 - BOD's expertise, understanding of the organization
- Experience impact measurement
- Areas of activity: Operations related to social welfare, groups related to fundraising

**Mission, BOD,
ultimately leadership...**

**The organization's high perception
of impact can't be achieved by the
performance measurement of the
practitioners and the measured
activities alone**

Impact & Organizational Sustainability



- Organizations that evaluated their finances for the next year as very stable had a higher perception of impact than organizations that evaluated it as unstable
- Organizations for civil and advocacy activities were more financially unstable than other organizations
- Organizations that expected operations to expand in the next year had a higher perception of impact

A high perception of impact is a necessary condition even for organizational sustainability



3. Impact & Organizational Sustainability

Impact & Organizational Sustainability (Operational Sustainability)

		Maintain (vs. Terminate)			Expand (vs. Terminate)			Expand (vs. Maintain)		
		B	Sig.	Exp(B)	B	Sig.	Exp(B)	B	Sig.	Exp(B)
Intercept		1.14	0.22		-3.81	0.01		-4.96	<.001	
Impact	Perception of impact	0.17	0.56	1.18	1.00	0.03	2.71	0.83	0.04	2.29
Experience performance measurement	Experience impact measurement	-0.16	0.58	0.85	0.37	0.37	1.44	0.53	0.13	1.69
Area of activity	Culture & arts	-0.02	0.96	0.98	0.20	0.70	1.22	0.22	0.62	1.24
	Academic research	-0.44	0.17	0.65	-0.11	0.82	0.90	0.33	0.45	1.39
	Scholarship	0.28	0.49	1.33	-0.52	0.42	0.59	-0.81	0.15	0.45
	Social welfare	0.04	0.89	1.05	0.20	0.67	1.22	0.16	0.69	1.17
	Environment & animals	-0.02	0.96	0.98	0.87	0.10	2.38	0.88	0.05	2.42
	Economic, social, community development	-0.75	0.07	0.48	0.01	0.99	1.01	0.75	0.14	2.12
	Civil, advocacy	0.04	0.91	1.04	-0.63	0.33	0.53	-0.68	0.25	0.51
	Fundraising	0.40	0.33	1.49	0.28	0.64	1.32	-0.12	0.80	0.88
	International	-0.33	0.43	0.72	-0.14	0.83	0.87	0.19	0.73	1.21

- Implies that for active operations and expanded activities, it is necessary to enhance the staff's perception of impact



Reasons for Difficulties in Impact Measurement

	N	%
Difficulty of digitizing/measuring quantitative index	(150)	22.8
Lack of objective index/data/sample	(109)	16.6
Difficulty in setting up a standard	(70)	10.7
Difficulty of clear/exact measurement	(36)	5.5
Financial limitations	(33)	5.0
Difficulty of measuring short-term visible effects	(32)	4.9
Lack of conditions/infrastructure (manpower, time, system, etc.)	(31)	4.7
Lack of expertise	(27)	4.1
Difficulty applying a unified standard to cases/activities that are diverse due to the nature of the organization	(27)	4.1
Lack of information on measurement method/tools	(17)	2.6
Difficulty in collecting and compiling data	(14)	2.1
Vague definition of performance	(13)	2.0

- Feel burden to measure impact 'accurately' with a quantitative method?
- Perceive impact measurement as highly difficult?
- Think they need to make a unified, identical objective standard?

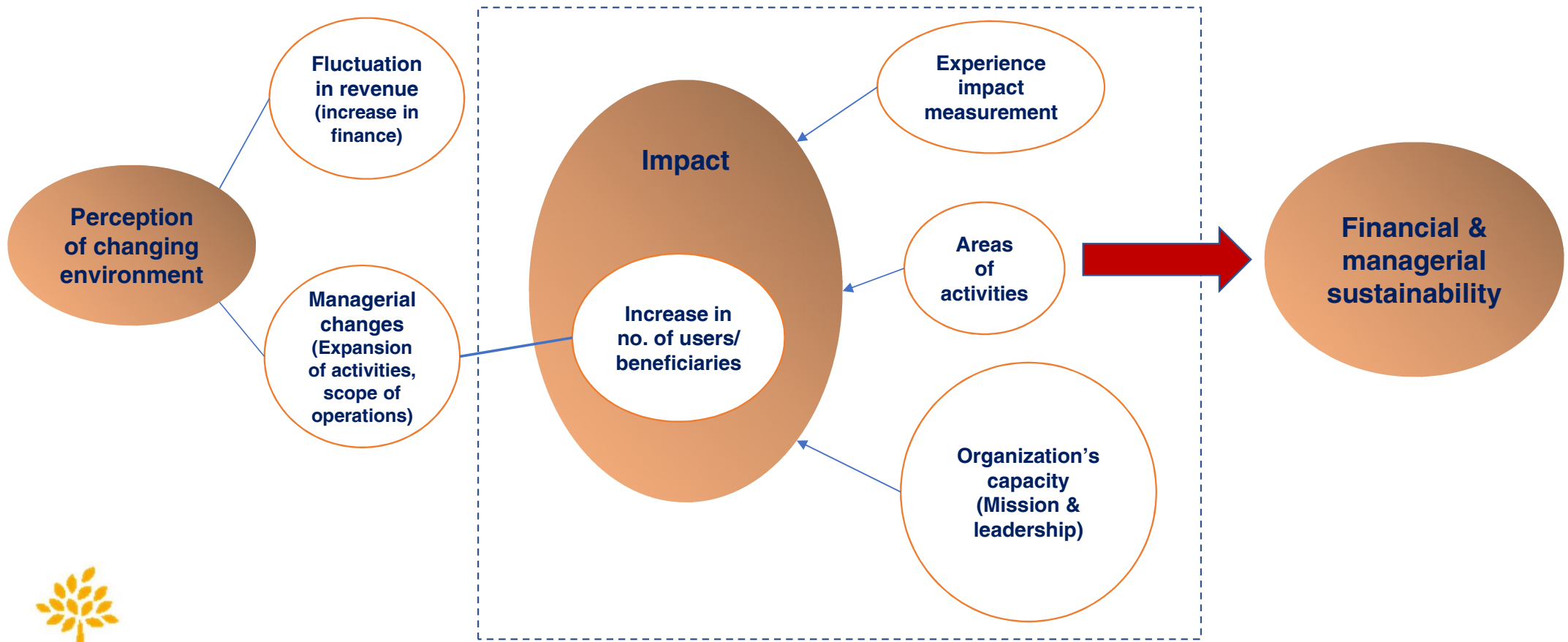
Accept that an objective, accurate, extremely well-defined impact measurement is impossible

For whom is the 'impact' measurement?
-Is it for the donors and users/beneficiaries?

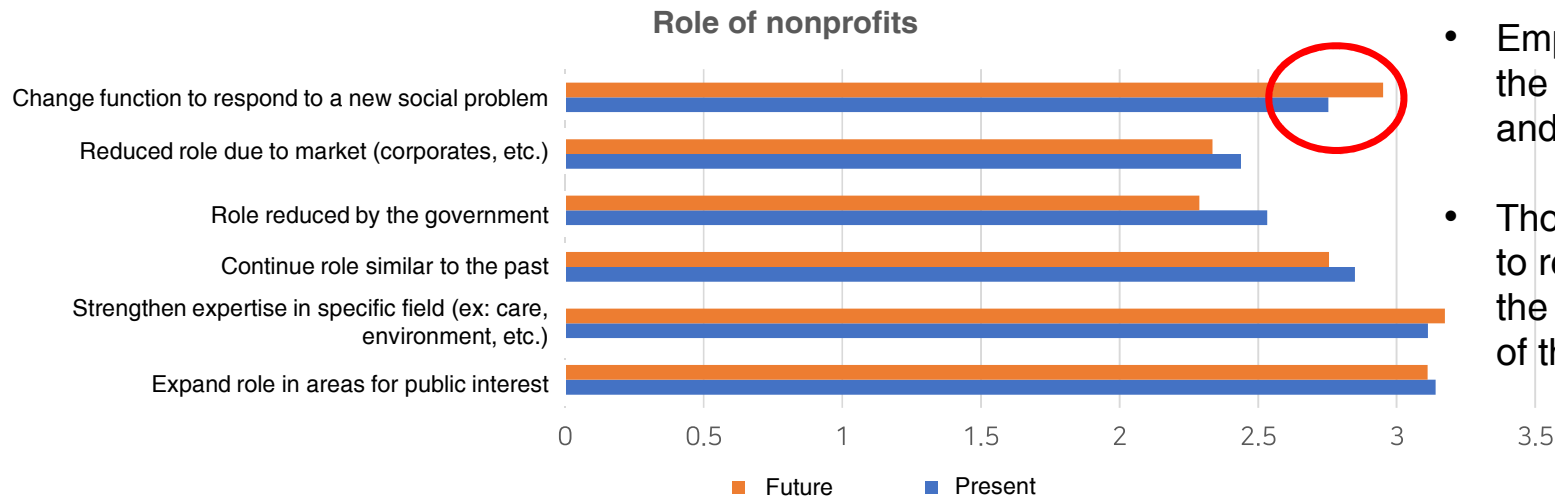


Outlook of Nonprofits & Attitude Towards Impact

What is the Impact Created by Nonprofits?



Outlook of the Nonprofits' Role



- Emphasis on nonprofit's role as the main agent to respond to and resolve social problems
- Though experiencing a crisis due to reduced finances affirmed the perceptions on the importance of the nonprofit's role

- BUT recognized overall negative perception of nonprofits amid crises of reduced donations and economic situation
 - "We are the main actors to respond to and resolve social problems, but we can't because we don't have the resources"*
 - "We need to measure impact accurately but can't because we don't have the capacity for it"*
- HOWEVER, an interest in impact is extremely important for nonprofits to carry out their role in society and for the sustainability of the organization
 - THEN what should be the perspective of the impact of nonprofits' activities?



Implications for Nonprofits

1. Understand impact is essential for the sustainability of the organization's activities before 'persuading' those outside the organization
 - Process of the organization achieving its mission under the direction of the BOD and managers
2. Building the organization's internal capacity helps the nonprofit's impact
3. Prior to seeking the perfection and accuracy of the method for impact measurement, it is important to share the definition of impact and the method within the organization and trying it
4. Rather than applying a single method for impact measurement, approach each major activity individually based on the organization's characteristics – measure impact for diverse organizations using diverse methods



Concerns and Thoughts on Impact

- Practical dilemmas of nonprofit leaders regarding impact
 - “What to evaluate? “For what purpose?” “Using which criteria?” “With what methods?”
- Disparity between impact ‘measurement’ and actual change (decoupling)

Gap between the perception that the organization is bringing change and the actual change the organization is bringing

“.....dilemmas do not have clear solutions. Evaluation practice dilemmas facing nonprofit leaders, we hope to build a stronger bridge to practice, one that recognize the diversity in the sector and supports greater pluralism in approach” (Bejamin et al., 2023, 315S)



Thank you