

# Unlocking Excellence: Exploring HR Strategies, Motivations, and Job Satisfaction among Nonprofit Professionals in Korea

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# Giving Korea

- Conducted since 2000, Giving Korea is a data-driven study of the giving trends of South Korea. (Individual giving and corporate giving)
- Giving Korea aims to better promote a giving culture and make solid policy recommendations regarding donations in Korea.
- **Giving Korea 2021 (April ~ May 2021)**
  - **The current status of human resource management practices among nonprofit organizations in South Korea**



# Backgrounds of the Study

**Success of  
Non-profit  
Organizations**



Competent  
Committed  
Employees

**High Turnover  
Rates in NPOs**

External and Internal  
environmental  
Changes

**The Growths of the  
Non-Profit Sector in  
South Korea**



Emphasis on  
Managing Workplace  
Diversity



**Human Resource Management**

Understanding **the Current Status of HRM practices**

Examining the factors associated with **Employees' job satisfaction**



# Human Resource Management



Human  
Resource  
Management

- HRM(Human Resource Management) is concerned with designing formal systems in an organization to practice tasks or activities such as recruiting, hiring, deploying and training and managing an organization's employees(Mathis et al., 2018; Cooper et al., 2020).
- *“designing and implementing a set of internally consistent policies and practices that ensure a firm’s human capital contributes to the achievement of its business objectives”*  
*(Huselid, Jackson, & Schuler, 1997, p. 172)”*
- *strong pressures on nonprofit managers to reevaluate their human resources management (HRM) approaches & integrate HRM with the missions of their organizations in a strategic manner*



# Research Questions



1. What current HRM practices do NPOs adopt?  
Standardized and Formalized HR System
2. What kind of job satisfaction profiles are identified among nonprofit employees in Korea?
3. How do demographics, job motivations, and HRM practices influence the profiles of job satisfaction?



## Method – *Participants & Procedures*

**15,336 organizations** registered at  
Ministry of the Interior and Safety  
as of 2021

Age: M=37.31 years (SD=9.1years)  
Tenure: M=66.8months (SD=62.5months)  
Manager: N=288 (38.2%)  
Female: N=503 (66.8%)

**7,370 organizations**  
(complied disclosure of information to  
National Tax Services)

**1,019 organizations**  
at least 5 or more full-time  
employees

**432(42.4% response rates)**  
**organizations**  
**732 employees**

- Data collected by the Center on Philanthropy at the Beautiful Foundation in Seoul, South Korea, as part of the Giving Korea 2021 project from April to May 2021
- Conduct an online survey of HR practitioners or managers



## Method – Measures

- Job satisfaction (Likert Scale strongly disagree to strongly agree)
  - How satisfied are you with.....? (thirteen subareas)
    - Salary, Job security , Job Content, Work Environment , Working hours, Opportunity for personal growth , Relationship with colleagues, Fringe benefits , Promotions, Social reputation of the Job, Work autonomy, Reputation of the organization, Interest fit , Job-related education/Training, Fairness of performance appraisal, Work-Life balance, Guarantee of recreational/leisure activities
- HRM practices (yes/no) : Does your organization have the following HR systems?
  - HR department and staffs, HR policy manuals, job training/education opportunities, job description, performance evaluation systems
- Current Job Motivations : What are the main reasons for choosing your current job?
  - Salary & fringe benefits, work-life balance (ex. Working hours and flexible schedules), education-job match, organizational value (mission/visions)



## Method –*Analysis*

- Descriptive Statistics
- Latent Profile Analysis
  - Profiles of Job satisfaction among Nonprofit employees in Korea
  - Latent profile analysis, which classifies subgroups consisting of participants with similar response patterns, a person-centered analytic technique that is useful for identifying typical profiles across various dimensions of individual characteristics (Collins & Lanza, 2010)
  - *Mplus 8.11*
- Multinomial Logistic Regressions
  - Demographic Characteristics, Job motivations, HR systems → profiles of job satisfactions





# Results

# The current status of HRM practices in Korean NPOs

HR System	Yes	No	
HR department and staffs	582(77.3%)	171(22.7%)	
HR policy manual	658(87.4%)	95(12.6%)	
Job description	277(64.1%)	155(35.9%)	
Job training/education System	636(84.5%)	117(15.5%)	
Performance Evaluations System (Individual Level)	448(59.5%)	305(40.5%)	
Recruitment type	general open 267(61.8%)	special 16(3.7%)	both 145(33.6%)
Recruitment cycle	regularly scheduled 6(1.4%)	irregular 288(66.7%)	both 135(31.3%)
Career development system	71(17%)	361(83%)	-



# Current Job Motivations

- What are the main reasons for choosing your current job?
  - Salary & fringe benefits, work-life balance (ex. Working hours and flexible schedules), education-job match, organizational value (mission/visions)

Current Job Motivations	N(%)
Extrinsic Job Motivations (salary, benefits, job security)	212 (28.2%)
Intrinsic Motivations –Job related (interest, education-math, personal growth)	270 (35.9%)
Intrinsic Motivations - Work-life balance related (working hours, flexible schedule, work-family balance)	115 (15.3%)
Intrinsic Motivations – Value related (organization's' mission, vision)	155 (20.6%)

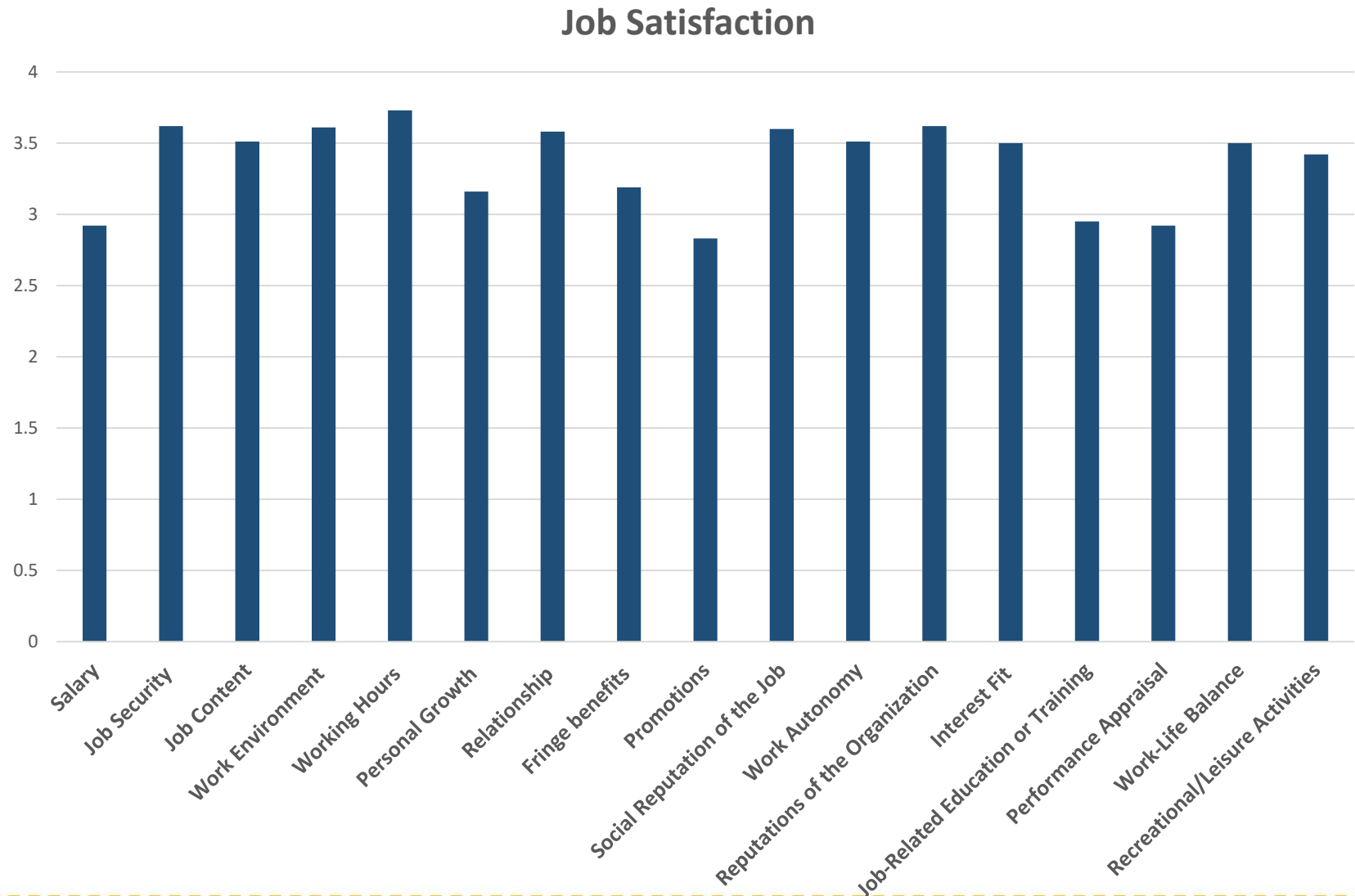


# Job satisfaction

		M	SD
1	<b>Salary</b>	<b>2.92</b>	0.91
2	Job Security	3.62	0.87
3	Job Content	3.51	0.82
4	Work Environment (Facilities, Safety, Hygiene, etc.)	3.61	0.91
5	Working Hours (Hours Worked, Number of Workdays)	3.73	0.87
6	Opportunity for Personal Growth	3.16	0.97
7	Relationship with colleagues	3.58	0.92
8	Fringe benefits	3.19	0.89
9	<b>Promotions</b>	<b>2.83</b>	0.90
10	Social Reputation of the Job	3.60	0.83
11	Work Autonomy	3.51	0.91
12	Reputations of the Organization	3.62	0.83
13	Interest Fit	3.50	0.90
14	<b>Job-Related Education or Training</b>	<b>2.95</b>	0.95
15	<b>Fairness of Performance Appraisal</b>	<b>2.92</b>	0.93
16	Work-Life Balance	3.50	0.92
17	Guarantee of Recreational/Leisure Activities	3.42	0.95



# Job satisfaction

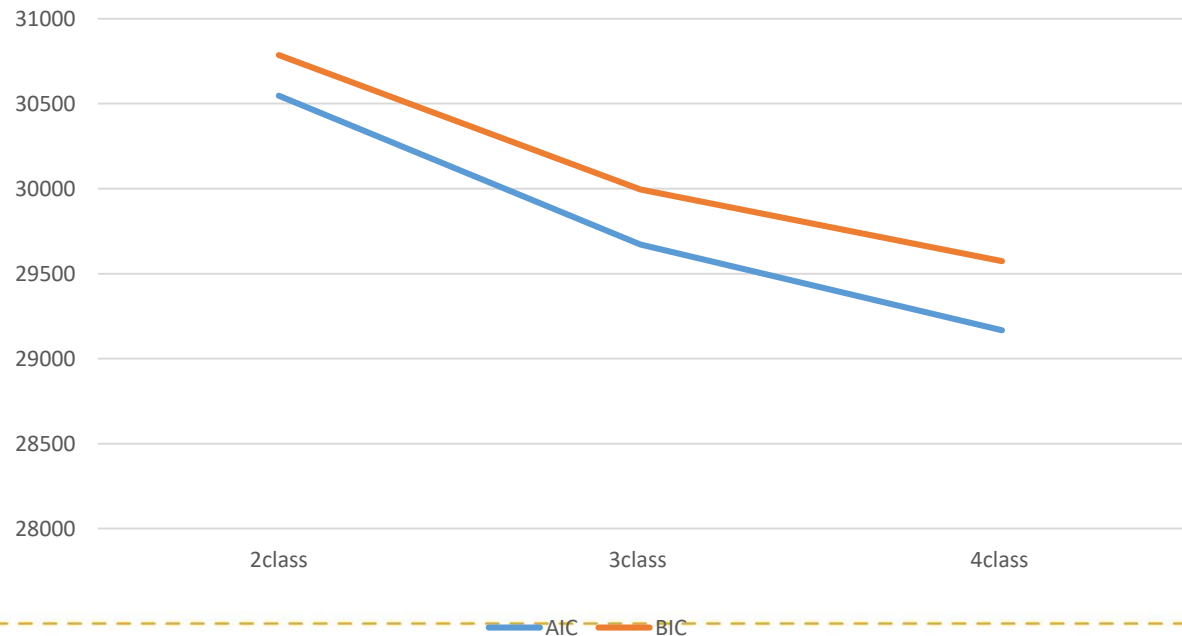


# Latent Profile Analysis: Job Satisfaction

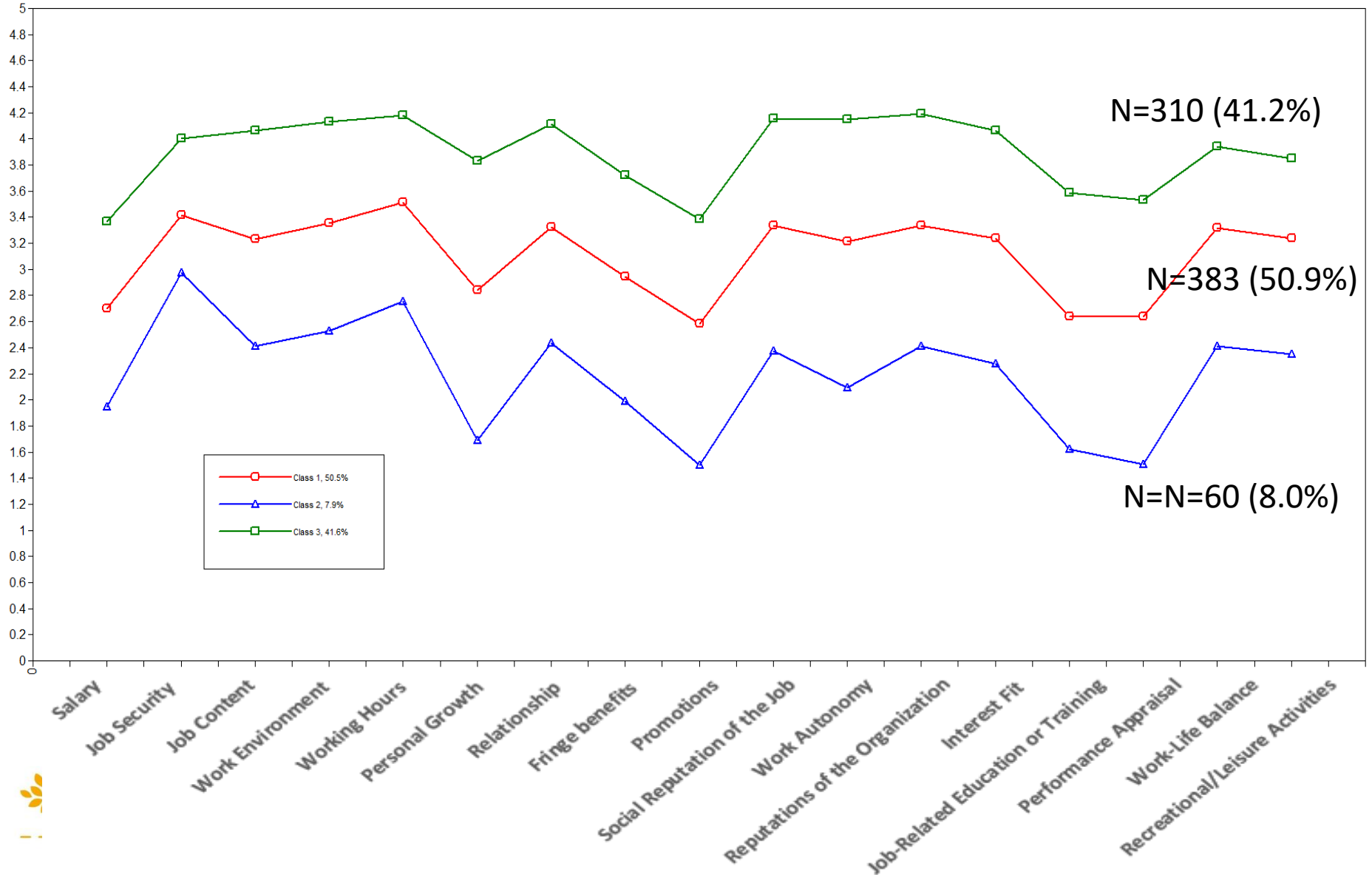
- Analysis (Latent Profile Analysis : LPA)

- Model Fit

	AIC	BIC	Entropy	LMRT
2Class	30546.604	30787.055	0.895	3074.531***
<b>3Class</b>	29671.056	29994.741	0.92	903.966***
4 class	29167.311	29574.229	0.91	535.256



# Profiles of Job satisfaction



## Inter-Profile characteristics differences

Variables	Low Level	Moderate Level	High Level	$\chi^2$	p
HR department and staffs	37(61.7%)	280(73.1%)	265(85.5%)	24.02	<.001
HR policy	45(75.0%)	322(84.1%)	291(93.9%)	23.98	<.001
Job description	18(30.0%)	180(47.0%)	217(70%)	53.26	<.001
Performance evaluations	21(35.0%)	216(56.4%)	211(68.1%)	25.91	<.001
Job training/Education	35(58.3%)	306(79.9%)	295(95.2%)	64.34	<.001
Extrinsic – salary, benefit	26(43.3%)	116(30.3%)	70(22.6%)	12.46	<b>.002</b>
Intrinsic - Work-life balance	7(11.7%)	66(17.2%)	42(13.5%)	2.45	.29
Intrinsic – Job related	19(31.7%)	135(35.2%)	116(37.4%)	.85	.65
Intrinsic- Value related	8(13.3%)	66(17.2%)	81(26.1%)	10.39	<b>.01</b>
Gender (Female)	33(55.9%)	260(70.3%)	210(69.3%)	4.95	.08
Education					
High school	3(5%)	17(4.4%)	10(3.2%)		
College (4 years & 2 years)	45(75%)	282(73.6%)	204(65.8%)	8.40	.02
Graduate schools	12(20%)	84(21.9%)	96(31.0%)		
Manager (vs. Line Worker)	14(23.3%)	125(32.4%)	150(48.4%)	24.74	<.001
Age	36.42(SD=8.50)	33.65(SD=7.13)	39.22(SD=9.91)	F=13.73	<.001
Tenure	64.14(SD=66.54)	51.41(SD=44.38)	73.24(SD=69.58)	F=3.39	.03



# Multinomial Logistic Regression

Variables		Low (ref) vs. Moderate		Low (ref) vs. High		Moderate(ref) vs. High	
		OR	<i>p.</i>	OR	<i>p.</i>	OR	<i>p.</i>
		HR System	HR department and staffs	1.15	.66	1.69	.15
HR policy	1.15		.70	1.94	.13	1.68	.08
Job description	1.68		.11	3.50	<.001	2.10	<.001
Performance evaluations	1.84		.05	2.20	.02	1.19	.31
Job training/Education	2.14		.02	6.94	<.001	3.24	<.001
Current Job Motivation (ref. extrinsic)	Intrinsic - Work-life balance	2.52	.05	2.95	.03	1.17	.54
	Intrinsic – Job related	1.72	.12	2.35	.02	1.36	.14
	Intrinsic- Value related	1.56	.33	2.42	.06	1.55	.06
Demographic Characteristics	Gender						
	Male	.86	.46	.80	.33	.93	.62
	Age	1.03	.15	1.05	.02	1.02	.03
	Education						
	High school	.75	.67	.58	.47	.77	.56
	Graduate schools	.89	.76	1.04	.91	1.17	.42
	Tenure	1.00	.85	.99	.80	.99	.33
	Manager (vs. Line Worker)	1.05	.89	1.55	.29	1.47	.05

# Findings

Most of the Korean  
NPOs has HR systems..

But....

*Areas needs to improve:*  
**career development and  
performance  
evaluations systems**

*Job description and job training/education* are strong predictors for being in the  
**High  
job satisfaction profile**

Individual's Job-related intrinsic motivation (interest in the job itself), work-life balance are significant when comparing low- with moderate-level, but not in moderate with high-level

*Importance of Well-Structure, Clearly Defined, Well-Shared HR policy*



# Strengths & Weaknesses



# Conclusions/Implications



# Thank You..

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Small  
change 

Big  
impact





The Beautiful Foundation

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Small change  Big impact