

# Concept and Measuring Research of NGOs

## Social Value Waste

### -A Case Study of Zhejiang NGOs

Yanbin Liu

Ningbo Institute of Technology  
Zhejiang University, Ningbo, 315100, China  
lyb.nbt@gmail.com

Fanghui Ju\*

Ningbo Institute of Technology  
Zhejiang University, Ningbo, 315100, China  
orangejfh@sina.com.

**Abstract**—With the vigorous development of public welfare undertakings, there have been many problems in the public welfare organizations, the public welfare projects are invaded, the donation is not up to standard, the public welfare target is replaced, the public welfare activities are held together, and Public welfare and other phenomena have been widely criticized by the community and the media. In order to clarify this phenomenon, this paper is based on the view of social needs to meet the organizational efficiency theory, and through the 15 field experts to discuss the construction of a social value of the concept of waste and dimensions. The conclusion of the study has a certain reference function to standardize the management of public welfare organization, improve the efficiency of organization, and reduce the waste of social value and the government's introduction of correction policy.

**Keywords**—*Entrepreneurial specialty; Public welfare organization; Waste of social value; Social value creation*

#### I. INTRODUCTION

According to the statistics of the Ministry of Civil Affairs of China (2016), the number of social organizations registered according to law has reached 675,000, of which 5204 are found in the foundation and the total amount of social donations reached 104.6 billion yuan. However, the current social organization is still the lack of healthy and orderly development, occurred in the public welfare of social organizations, the value of a large number of waste [1], mainly in three aspects: (1) public project implementation process invalid, which includes the project section of the abuse of abuse, donation construction is not up to standard, public welfare objectives are replaced and other issues; (2) public welfare objectives to determine the inefficient, public interest target groups and target areas of choice there is a large degree of "follow the trend" phenomenon, such as public welfare activities get together, in front of a catastrophe game offer love, repeat help students and so on; (3) the implementation of public welfare projects ineffective, the existing public service basically follow the "social media exposure hot spots—the network competing to forward — people love quickly bursting the shed — new issues emerge in an endless stream ", did not identify the balance of social needs, fundamentally meet the needs of society.

In this paper, we developed the Table item of the nonprofit organization's waste of value, and used this Table item to detect the waste of value of the public interest organization. At the same time, it also proved the relationship between the former variables of the value of the nonprofit organization and the waste of the result variables and the value of waste analysis. In addition, this paper also explains the management significance of the research results, and provides the strategy and train of thought for the waste of public interest organization.

#### II. THEORETICAL BASIS

Social values are created by non-governmental organizations or social enterprises, social programs. Social value waste is derived from the low efficiency of social organization value creation or the effect is poor. According to Zahra et al. (2009) [2], our concept of waste of social value can be used to analyze the organizational insight in the field of organizational efficiency. The analytical framework provided by organizational efficiency theory provides a critical assessment of the operation of the organization (including nonprofit organizations) Efficiency provides a range of useful tools. In the related literature, there are three representative models: target model, system - resource model and functional model. According to the target model, the so-called efficiency is "the degree to which the organization achieves its goals" [3] (Forbes, 1998). In other words, the organization is committed to minimizing the gap between expected and actual output. In contrast, the system-resource model embeds the organization into the economic, social and institutional context in which it is perceived as the efficiency of the organization's access to scarce and valuable resources in the environment. The third model, the functional model [4], contains elements of the above two models and can therefore be considered as a hybrid model. This model places the goal in a particular economic society and institutional context and defines efficiency as "the extent to which the output of the organization is beneficial to the society in which it is located". The functional model is thus used to evaluate the efficiency of social interventions because it matches that the public interest organization should benefit from the goal orientation of the community and society as a whole [5]. Therefore, the functional model is used to develop a comparative analysis of social value is appropriate, it also

provides a theoretical basis for us to understand the value of waste in the context of society.

### III. SOCIAL VALUE WASTE; CONCEPTUAL CONSTRUCTION AND MEASUREMENT SCALE DEVELOPMENT

#### A. Concept building

In order to further clarify the concept of waste of social value on the basis of the functional model, we interviewed the managers of 15 public organizations, the heads of institutions responsible for the management of public welfare organizations and university scholars. Five of them came from the Foundation, Five from social groups, two from social service centers, three from institutions of higher learning, two were from one organization and one in 13 other organizations. Our respondents' answers to the two questions that are mainly addressed in the interview are summarized below; (1) Does the public interest organization have a lot of energy and resources to help the disadvantaged, but with little success (not really satisfying the needs of the vulnerable groups), what are the specific manifestations? (2) Public interest organizations in helping vulnerable groups when the use of resources and the use of efficiency, specifically in what areas? Most of the respondents said that the implementation of public welfare projects generally did not meet the needs of vulnerable groups of social needs, did not achieve the desired effect of public welfare projects, of course, there is another situation even if the expected results to meet the vulnerable groups A certain aspect of social needs, but compared to the same public welfare project resources consumed too much, We call these appearances "waste of social value". In this paper, the "social value of waste" is understood as a result of the social intervention in the social welfare (social well), which is a kind of social intervention, which is based on the domestic and foreign related literature [6]. Being, SWB) in a vulnerable group, but did not achieve the desired purpose or generate too much resource consumption. Specifically, we define it as the intervention object before and after the intervention in a particular area has increased the demand for social satisfaction (Demand Satisfaction, hereinafter referred to as DS) and should enhance the social demand satisfaction difference. Therefore, the "social value of waste" is a measure from the point of view of the intervention object, based on the satisfaction of the social needs of the intervention object, that is, the social value that should have been produced, because of some reason not to be realized inside and outside the public interest organization As a "social value of waste", which is different from the general sense of mismanagement or other reasons caused by the public resources idle, loss or damage "waste." This paper holds that "social value waste" is a compound concept, it includes:

- The social value creation is inefficient, that is, the high cost of satisfying the social demand of a certain aspect of the vulnerable group is not only the low efficiency of the organization in the process of satisfying the social needs of the disadvantaged groups. It also means that the use of technology in the process of the backward use of resources and the use of inefficient.
- Social values have a low effect, that is, there is no or not yet satisfied (originally able to meet) a certain aspect of social needs of vulnerable groups, which refers to the public interest organizations do not accurately identify the social needs of vulnerable groups and the value of waste, Inadequate capacity of the organization or lack of capacity to achieve the expected effect of the project, or that there is no effective estimate of the risk of public welfare activities or project waste.

Therefore, the "social value of waste" can be regarded as "social value creation" of the opposite, this phenomenon is contrary to the mission of public interest organizations, and public organizations on the one hand more to create social values, but also to reduce social value waste.

#### B. Measuring the development of the scale

According to our previous definition of the connotation of social value of waste [7], we identified six items, such as public welfare efficiency, public welfare effect, resource utilization efficiency, donation use and material management, as the determination of social value waste. Take a reverse score method.

### IV. RESEARCH METHODS

#### A. Data collection and sample characteristics

In this paper, we analyze the influencing factors of the social value waste of the nonprofit organization. We choose the nonprofit organization as the research object and collect the data by means of the office interview (data I ). The interview object is mainly the head of the nonprofit organization or the relevant manager. The content of the answer can be related to its nonprofit organization. In order to ensure the smooth progress of the visit, the researchers first of all before the visit by telephone and the respondents to get in touch, when the interviewees agreed to visit, the appointment time, and then interviewed by the interview, the main location is in the respondents of the office or reception room. Each interview lasts about 15-20 minutes, with two members per visit, the researcher himself is responsible for the visit, the other is responsible for the record, after each visit is completed and summarized. In this study, 120 enterprises were interviewed by the office, and 101 effective samples were screened and sorted. The effective sample recovery rate was 84.17%. The basic situation of the sample is shown in Table 1 below:

TABLE I. SOCIAL VALUE WASTE MEASUREMENT SCALE

variable	Title
Waste of social value	The inefficiency of the implementation process of public welfare projects
	The implementation of public welfare projects is poor
	The utilization efficiency of public resources is low
	There is a waste of resources in the implementation process of public welfare projects
	There is a gap between the user and the donor's expectations
	Public material management more loose

### B. Reliability and Validity Analysis

Reliability analysis; The Cronbach's alpha coefficients of each scale are all higher than 0.6 and are mostly above 0.7, and according to Nunnally (1978) [8], the Cronbach's alpha coefficient has a good reliability. Validity analysis: In this study, AMOS software was used to analyze the main research constructs of the paper, and the normalized factor load of each

item was obtained. Then, based on this, AVE value and CR value. Some scholars have pointed out that when the standard factor load of each item is greater than 0.5 and the AVE value of each latent variable is greater than 0.5 and the CR value is greater than 0.7, then the measure of the potential variable has good convergence validity [21]. The results show that the scale used in this study has good convergence validity (as shown in Table 2 and Table 3 below).

TABLE II. DATA I SAMPLE DESCRIPTIVE STATISTICAL ANALYSIS

Organization category	Number of samples	Percentage	Organization size	Number of samples	Percentage
Community groups	40	39.6	$\leq 30$	35	34.7
Fundamental association	13	12.9	31-50	15	14.9
Private non - enterprise	22	21.8	51-70	8	7.9
Other	26	25.7	$\geq 71$	43	42.6
Total	101	100	Total	101	100
The time of establishment	Number of samples	Percentage	The main source of funds	Number of samples	Percentage
$\leq 3$ years	29	28.7	Government funding	25	24.8
3-5 years	28	27.7	Corporate giving	22	21.8
5-10 years	14	13.9	Fundamental association	16	15.8
$\geq 10$ years	30	29.7	Social individual	38	37.6
Total	101	100	Total	101	100

TABLE III. DATA I SCALE RELIABILITY AND VALIDITY ANALYSIS

Variable	Title item	The coefficient of Cronbach's $\alpha$	Standardized factor load	AVE and CR
Waste of social value	The inefficiency of the implementation process of public welfare projects	0.755	0.795	AVE=0.552 CR=0.879
	The implementation of public welfare projects is poor		0.76	
	The utilization efficiency of public resources is low		0.792	
	There is a waste of resources in the implementation process of public welfare projects		0.627	
	There is a gap between the user and the donor's expectations		0.576	
	Public material management more loose		0.661	

## V. THE PRESENT SITUATION OF THE PUBLIC VALUE WASTE IN ZHEJIANG PROVINCE

### A. Overall Evaluation of Public Waste Value in Zhejiang Province

As we can see in the table 4, the results of the overall assessment of the value of public welfare organizations in Zhejiang Province show that the value of waste index is 73.38, indicating that the public welfare of Zhejiang public welfare is more serious waste. Zhejiang public welfare organizations, the use of public resources is low, there is a waste of resources in the implementation of public projects.

### B. Different time to set up a nonprofit organization in the waste of value of the status quo

From the overall point of view, for the different time to set up the public welfare organization for the value of the current situation of the average score, the results show that the establishment of time within 3 years of public interest organizations for the 69.85, 3-5 years to set up 73.47, set up 5-10 years to 74.29, Set up more than 10 years for 76.29.

Therefore, it can be found that the establishment of public interest organizations within 3 years of the waste value is the most serious, the establishment of more than 10 years of public welfare organizations waste at least. This shows that the more mature and mature public welfare organizations, the smaller the value of public waste, on the contrary, the greater.

TABLE IV. DIFFERENT SET OF TIME NON PROFIT ORGANIZATION SIX INDICATORS OF WASTE STATUS TABLE

The time the organization was established	The inefficiency of the implementation process of public welfare projects	The implementation of public welfare projects is poor	The utilization efficiency of public resources is low	There is a waste of resources in the implementation process of public welfare projects	There is a gap between the user and the donor's expectations	Public material management more loose
≤3 years	74.48	76.55	73.10	62.76	68.28	68.28
3-5 years	74.29	74.29	80.71	65.71	72.14	70.71
5-10 years	74.29	81.43	74.29	71.43	78.57	65.71
≥10 years	80.00	80.67	82.00	69.33	74.67	73.33
TOTAL	76.04	77.82	78.02	66.73	72.67	70.10

*C. The current situation of different types of nonprofit organization waste*

As is shown in table 5, the results show that the value of social organization nonprofit is 77.36, the fund is 68.79, the private non - enterprise is 74.42, and the other is 68.68.

Therefore, it can be found that the value of the foundation and other types of nonprofit organizations is the most serious waste, and the value of social organizations and private nonprofit organizations is less wasteful. This shows that the Foundation in the public value of waste to be improved.

TABLE V. DIFFERENT TYPES OF NONPROFIT ORGANIZATION SIX INDICATORS OF VALUE WASTE ANALYSIS

Organization type	The inefficiency of the implementation process of public welfare projects	The implementation of public welfare projects is poor	The utilization efficiency of public resources is low	There is a waste of resources in the implementation process of public welfare projects	There is a gap between the user and the donor's expectations	Public material management more loose
Community groups	79.00	81.00	83.00	69.50	75.50	77.00
Fundamental association	72.31	70.77	80.00	50.77	75.38	60.00
Private non - enterprise	75.45	80.91	75.45	69.09	73.64	72.73
Other	73.85	73.85	71.54	68.46	66.15	62.31
Total	76.04	77.82	78.02	66.73	72.67	70.10

*D. The present situation of waste of value of different scale public interest organizations*

In order to facilitate the description of the "30 people" public welfare organizations defined as "small scale", "31 people -50 people" for the smaller scale, "51 people -70 people" medium size, "71 people for large scale." As is shown

in table 6, the results show that the "small scale" nonprofit social value waste index is 70.61, the "smaller scale" is 69.52, the "medium scale" is 67.50 and the "larger scale" is 78.07. It can be seen that the value of the medium-sized public welfare organizations are more serious waste, large-scale public welfare organization waste less.

TABLE VI. ANALYSIS OF VALUE WASTE OF SIX MAJOR INDICATORS OF DIFFERENT SCALE PUBLIC INTEREST ORGANIZATIONS

Organization size	The inefficiency of the implementation process of public welfare projects	The implementation of public welfare projects is poor	The utilization efficiency of public resources is low	There is a waste of resources in the implementation process of public welfare projects	There is a gap between the user and the donor's expectations	Public material management more loose
≤30	72.60	77.80	73.80	65.20	68.00	69.20
31-50	76.00	73.40	77.40	66.60	62.60	61.40
51-70	67.60	65.00	72.60	55.00	75.00	65.00
≥71	80.40	81.80	82.80	70.20	79.60	74.80
Total	76.00	77.80	78.00	66.80	72.60	70.00

*E. Different sources of funds Public welfare organizations waste the status quo*

As is shown in table 7, the results of the analysis of the value of the nonprofit organization of different sources of

funds show that the government's social value waste index is 71.54, the enterprise is 72.34, the fund is 72.68, and the individual is 75.49. Therefore, it can be found that the value of public interest organizations with the individual social resources as the main source of funds is more serious

**TABLE VII. DIFFERENT SOURCES OF FUNDS PUBLIC INTEREST ORGANIZATIONS SIX INDICATORS OF THE VALUE OF WASTE ANALYSIS TABLE**

Organize funding sources	The inefficiency of the implementation process of public welfare projects	The implementation of public welfare projects is poor	The utilization efficiency of public resources is low	There is a waste of resources in the implementation process of public welfare projects	There is a gap between the user and the donor's expectations	Public material management more loose
Government	73.60	73.60	74.40	68.80	68.80	70.40
Enterprise	83.60	85.40	80.00	58.20	68.20	60.00
Fundamental association	75.00	70.00	81.20	60.00	73.80	68.80
Social individual	73.60	79.40	77.80	73.20	77.40	76.40
Total	76.00	77.80	78.00	66.80	72.60	70.00

## VI. CONCLUSIONS

The contribution of this research is to identify and refine the concept of social value waste, and the concept of the connotation of a detailed interpretation of the public welfare organizations to meet the social needs of vulnerable groups in the process of social value of the specific performance of waste, The inner logical connotation and theoretical basis of the wasteful representation will help the public interest organizations to understand their own position and the existing problems in promoting the positive change of the society, and to promote the promotion of the organization's credibility, efficiency and organizational capacity.

At the same time, the evaluation of social value wasting of different nonprofit organizations can also help to guide the public and fund institutions to invest and support the public welfare organizations and their public welfare activities, and can be used as an important reference for public donation and fund investment decision. In this paper, the study of social value waste, in theory, rich development of Clark, Rosenzweig, Long, & Olsen (2004) [9] and Kroeger & Weber (2014) [6] and other social value creation theory.

## ACKNOWLEDGMENT

This work was supported in part by grants from National Social Science Foundation (#15BGL167), Zhejiang Province

2016 Annual Higher Education Teaching Reform Project (JG20160230).

## REFERENCES

- [1] Lu Mingyuan, Public efficiency: social organization credibility construction path [J] community management research, 2008(11):38-41.
- [2] Zahra S A, Gedajlovic E, Neubaum D O, et al. A typology of social entrepreneurs: Motives, search processes and ethical challenges[J]. Journal of business venturing, 2009, 24(5): 519-532.
- [3] Forbes, D. Measuring the unmeasurable: Empirical studies of nonprofit organization effectiveness. Nonprofit and Voluntary Sector Quarterly, 1998, 27: 183-202.
- [4] Matthews, J. R. Assessing organizational effectiveness: The role of performance measures. Library Quarterly, 2011, 81:83-110.
- [5] Austin, J., Stevenson, H., & Wei-Skillern, J. 2006. Social and commercial entrepreneurship: Same, different, or both? Entrepreneurship Theory and Practice, 30: 1-23.
- [6] Kroeger, A., Weber, C. 2014. Developing a conceptual framework for comparing social value creation. Academy of Management Review, 39:513-540.
- [7] Bagnoli, L., & Megali, C. 2011. Measuring performance in social enterprises. Nonprofit and Voluntary Sector Quarterly, 40: 149-165.
- [8] Nunnally, J.C. Psychometric theory. New York: McGraw-Hill, 1978.
- [9] Clark C, Rosenzweig W, Long D, et al. Double Bottom Line Project Report: Assessing Social Impact in Double Line Ventures, Methods Catalog[R]. Columbia Business School, Rise-Project, 2004.