Why Do You Work in the Third Sector?:
A Theoretical Model and a Case Study in China

Ran Zhang, Jenny Green

1Shanghai TV University, Shanghai, China, 2University of Technology, Sydney, Sydney, Australia

It is well known that human resource is the core element in nonprofit organizations (NPOs) in China just as it is in for-profit organizations. However, little is known about what really influences the motivation of Chinese people who consider working in NPOs. The considerable body of research found in Western Countries on motivation to work in NPOs does not necessarily translate to the Chinese context. There is no doubt that currently NPOs in China play an important role economically and socially. Moreover, many innovations and transformations have been implemented in the third sector contributing to healthy development in China. Nonetheless, NPOs have been suffering from a serious lack of human resources not only in quantity but in quality. This shortage of human resources has been exacerbated by the distinct characteristics of Chinese NPOs, the transformative relationship with the Government Sector, the increasing competition with the private sector, as well as the recent global economic recessions.

The question is asked: ‘why do people choose to work in NPOs?’ Western scholars would suggest that workers in NPOs are motivated not by money but by values and commitment to the purpose. Are there the same people seeking fulfillments through mission in China? Do NPOs appeal to job-seekers looking to work at the cutting-edge of social change? Understanding and answering the above questions would help leverage the capability of NPOs to attract, motivate and retain staff, and therefore lift their HR core competencies.

In this paper, both positive and normative methodologies are used to analyze the multiple reasons that drive people to work in the third sector in China. To begin with the human resource needs in NPOs in China are considered. This offers a clear picture of HR problems confronting the third sector in China. Secondly, as a result of a literature study and field research a new Matrix Model is constructed for analyzing the real motivations and intentions underneath the apparent selected behaviors of people considering working in NPOs. We analyze the characteristics of people motivated to work in the third sector in China with their counterparts in Western countries. Finally, a case study on a trade association in Shanghai, a typical NPO in China, reveals some of the distinctive motivations for working in a Chinese NPO. The analysis has led to the development of a framework for understanding HR Motivation in the third sector in China.

As opposed to the conventional views on work motivations in the third sector, this paper puts forward a new and comprehensive analytical framework. The literature states that those who choose to work in NPOs are non-monetary oriented, that is to say, they place a lower value on wages and a higher value on non-monetary benefits such as working conditions and social responsibility. However, this conventional non-monetary-oriented view overlooks the differences in backgrounds in nations, economically, socially and politically. By contrast, in some NPOs in China, the forces that drive people to work are somewhat administratively-controlled or individually-centered rather than a desire to make a difference to society or identification with the NPO’s goals.

The model constructed in this paper is a totally new analytical framework that categorizes the working intentions and motivations into four types, namely individual traits, values, occupation and organizational attributes. However, this paper identifies that it is a mix of
motivations that draw people to work in NPOs. Moreover, individuals are influenced by these factors at various levels, including the individual level, organization level, system level, societal level.

Through the theoretical model, case analysis and the comparative study, the paper strives to explore the actual and deep reasons why people select to work in NPOs. It gives a clear landscape of the employment situation currently and the future trends in the third sector. Finally, it offers some enlightening suggestions to address the HR problems in NPOs not only in China but also in western countries.

References:


