

# Empirical Study of Relationship between Internal Governance and Job Performance in Social Work Organizations based on CSWLS 2019

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**Abstract.** China Social Work Dynamics Survey is abbreviated as CSWLS. Internal governance of social work is a basic prerequisite to build its modern social organization system and stimulate the vitality of social work organizations. Given the scarcity of empirical studies on the internal governance of social work agencies, an urgency arises to examine how the internal governance mechanism of social work agencies operates and to what extent it affects the performance of social work agencies. This study uses a multiple regression data analysis model to analyze data from a survey of 691 social work agencies covering 56 cities of varying sizes across China implemented by East China University of Science and Technology in 2019. Internal governance of board governance capacity, departmental staff complexity, party branch governance, institutional system, and talent development were found to significantly affect their performance. This study also considers internal governance of social organizations as a meso-level at the theoretical level and introduces it into the macro-level social governance sharing pattern, which is more innovative and academically valuable in its theoretical perspective. At the empirical level, academic results of this study on the growth resilience and autonomy of social organizations are also more meaningful for subsequent organizations to participate more deeply in the social pattern of shared social governance.

**Keywords:** CSWLS; Multiple Regression Data Analysis Model; Internal Governance; Job Performance.

## 1. Introduction

In recent years, the Party Central Committee has proposed in the Opinions of the Ministry of Civil Affairs on Further Accelerating the Development of Private Social Work Service Organizations to further enhance the internal governance capacity of private social work service organizations. The Party also pays attention to the development of the Party branch under the leadership of Party building to better reflect the "original intention" of the organization. After the 18th Party Congress, macro policies such as "building a modern social organization system" and "stimulating the vitality of social organizations" have been put forward one after another, providing a guarantee and research basis for the academic community to study the internal governance of social work organizations. The internal governance of social work organizations is the basic premise for their orderly and effective participation in social governance and the improvement of organizational performance. In recent years, with the liberalization of the state and the creation of a multi-faceted social governance system, the role of social work agencies has slowly come to the fore, and they have become the main body of social governance innovation and the linkage of resources. Thus, exploring the influence and role of internal governance of social work agencies on their organizational performance is particularly important.

Most discussions on internal governance are centered on the role and operation of the board of directors; internal governance includes the establishment of organizational structures with clear responsibilities, strict rules and regulations, and effective financial monitoring [1], which is different from external governance and places extra emphasis on organizational self-restraint and regulation. The scholar Fu Changluan (2014) explored the connotation of internal governance of foundations from the perspective of the key elements covered by internal governance, which are the governance of the board of directors, the governance of the supervisory board, and the external supervision of the organization [2]. In addition, foreign scholars such as Smillie and Hailey, have spent nearly five years

studying nonprofit organizations in India, Pakistan, and other Asian countries; they deeply and systematically explored the factors of board decision making, internal organizational oversight, and human resource management in nonprofit organizations [3].

The performance of social work organizations is based on the efficiency and capacity of the organization's management and services, the quality and level of services provided by the organization, and client satisfaction [4]. Some studies consider the setting of social organization assessment indicators as the core element of the social organization assessment mechanism, and they determine the structure, craft, and culture of SCC social organization assessment theory according to SCC assessment theory. In accordance with "SCC" evaluation theory, they identified social organization evaluation theory's Structural, Craft, and Cultural as the specific indicators of the three evaluation dimensions, which may also become the basic dimensions of social work organization performance research [5]. Today's research on the performance of social work organizations is more holistic (Social Work Evaluation System Construction...). They study the following three dimensions: service users, the management of the service agency, and the value of the service agency. They also advocate that assessment indicators have integration and hierarchy. These different levels, subjects, and contents are intertwined and linked, while assessment is a performance evaluation of the integrated whole of the operation of the social work service organization [6].

However, based on existing studies, this paper argues that many scholars focus more on the discussion of the relationship between social nonprofit organizations and the government, whereas less research is conducted on the individual, i.e., social work agencies under contemporary nonprofit organizations. Research on the internal operation or governance on organizational performance is also weak and not only lacking a relatively fixed clear definition on the concept of internal governance dimensions for social work agencies. This study aims to explore the internal governance mechanism of social work organizations and to focus on the extent to which each internal governance body influences the completion, progress, and improvement of the organization's performance from individual-organizational matching theory and to understand the influence of governance performance of social work organizations as a whole. The study focuses on the extent to which each internal governance agent influences the achievement, progress, and improvement of the agency's performance. In terms of argumentation, the research focuses on the external relationship between internal governance and social work agency performance, which is macroscopic and limited in perspective [7]; meanwhile, using individuals in the organization as mediating variables to deepen the transmission between the two not only renders the argumentation process more scientific and effective, it also becomes more effective. The study has shifted the perspective from external to internal job contribution and social organization matching, which is more innovative and has academic value.

However, further analysis of the reading literature reveals a scholarly bias toward the role of meso-governance and macro-social institution-related on organizational performance. However, relatively few studies explore the micro level of internal governance affecting outcome variables by influencing individual-organizational matching. Thus, do and how do organizational internal governance agents influence the performance of social work organizations through individual-organizational matching? What role does individual-organizational matching play and what are its effects? Such important question needs urgent attention and exploration in subsequent studies. Accordingly, this study attempts to use a longitudinal empirical research method to construct a model of the relationship between the internal governance of social work organizations and their performance to explore the effects and mechanisms of internal governance on social work performance and to make suggestions and recommendations for the internal governance of social work organizations and the improvement of their subject management and human resource management practices based on the findings obtained in this study [8].

## **2. Research Design**

### **2.1 Data Source and Sample**

The population of this study comprises social work individuals as well as organizations, and the data used are from the China Social Work Dynamics Survey (CSWLS) implemented by East China University of Science and Technology in 2019. This survey is the first national comprehensive survey in China that focuses on the development dynamics of the social work industry in 56 medium and large cities. The project indicators are set to be dynamic, matching, and comprehensive. The questionnaire not only includes social workers but also focuses on their individual-organizational match with social work organizations. The survey adopted a simple random sampling method, and 979 valid questionnaires about social work organizations were collected after excluding or processing samples with missing information or incorrect answers.

### **2.2 Statistical Analysis of Data**

In this study, SPSS 26.0 statistical software was used to statistically analyze the obtained data, and conclusions were drawn on the bases of the results of the statistical analysis.

### **2.3 Research Variables and Statistical Models**

#### **2.3.1 Dependent Variable**

After analyzing the literature and adapting it to other variables in this paper, this research operationalizes the performance indicators into five dimensions: the number of cases served, groups, and community service activities; the organization's publicity platform and updates; and organizational honors. This process is due to the fact that today's social work agency performance research is more focused on its holistic nature, while the current study focuses on assessing social work performance from the perspective of innovative characteristics. In addition, these operationalized indicators are integrated and hierarchical in terms of measurability. These different levels, subjects, and contents are intertwined and linked. Meanwhile, the assessment is a performance evaluation of the integrated whole of social work service organization operations. To ensure the consistency of data within dimensions, the authors implemented the Cronbach's alpha coefficient test for each dimension of social work agency performance indicators; the coefficients were all above 0.7, indicating high reliability.

#### **2.3.2. Independent Variables**

First, this study has five core dimensions, and the indicators are operationalized into five indicators: council governance, departmental staff complexity, party branch governance, institutional structure, and talent development. Among them, the council is the main core of internal governance, which has a greater influence factor on institutional performance. The complexity of departmental personnel is mostly explored in terms of the composition and changes in its personnel in each department. The talent development, on the other hand, is refined into areas such as interns and departmental staff training. Academics generally consider the council as the core of participation in internal governance. Thus, this study will focus on exploring the influence of council members on the performance of social work organizations. As for the measurement of council governance, this study draws on Brown's (2007) questionnaire on council involvement in organizational internal governance practices. However, owing to dimensional considerations, the author combined its dimensions to form a total of 19 questions for measurement purposes, and each question was scored on a 5-point Likert scale from 1 (no ability/no role) to 5 (very strong ability/significant role), with higher scores indicating stronger or more outstanding governance performance. A Cronbach coefficient test was implemented with a coefficient of 0.978.

As for the departmental staff complexity, this study operationalized it into 8 valid questions, which include administrative, service, and financial departments that encompass the organizational departments of social work agencies. It then examined the role of staff complexity in the internal

governance of social work agencies and redefined its "yes" and "no" options as "yes" and "no." The "yes" and "no" options were redefined as "1" and "2" to facilitate measurement, and the Cronbach coefficient test coefficient was 0.662.

For the party branch, a special question was set to verify its role because the state strongly advocates the party building to lead the development of the organization. The Cronbach test coefficients for institutional structure and talent development mechanism are 0.777 and 0.623, respectively, both of which indicate high confidence in the consistency of their internal governance dimensions.

**Table 1.** Analysis of reliability test for consistency of variables

Variables	Dimensionality	Dimensionality $\alpha$
Internal Governance	Council Governance	0.978
	Departmental Staff Complexity	0.662
	Party Branch Governance	1
	Institutional Structure	0.777
	Talent Development	0.623
Social Work Agency Performance	Number of cases served	1
	Number of groups performing services	1
	Number of community activities	1
	Institutional advocacy platform and updates	0.777
	Organizational and Personal Honors	0.760

In this study, the internal consistency alpha coefficient was used to test the reliability of the relevant scales. As can be seen in Table 1, the coefficients of the internal consistency alpha coefficients for the internal governance, social work agency performance subscales, and total scales are all between 0.6 and above, all of which reach an acceptable level, indicating that the data and scales used in this study have good reliability.

### 2.3.3. Control Variables

In this paper, we control the number of years of organization establishment, registration level (provincial, municipal, and county), organization staff size (number of full-time employees), and organization staff level (number of graduates of relevant majors and number of qualification holders), in which the number of years of organization establishment refers to the period from establishment to 20 years; the registration level includes provincial, municipal, and county levels; the organization staff size refers to the number of full-time employees owned by the organization. The staff level of the organization is based on the professional level, and the number of relevant professionals and the number of social worker qualification holders are considered.

### 2.3.4. Statistical Model

First, the variables were transformed into four control variables (organization age, registration capital, registration level, and registration nature) by taking logarithms to reduce variance fluctuations. Second, considering that the dependent variables were transformed into continuous variables before determining the mean value of the data, the study used a multiple regression type statistical analysis model for estimation. In addition, given that the data came from 691 different social work organizations and that different organizations affect organizational social work performance in various ways, organizational age, funding, level of registration, and nature were controlled for [9].

### 2.3.5. Research Hypothesis

On the bases of the above findings, the empirical research hypotheses are established as follows.

Hypothesis 1: Internal governance in the organization can significantly affect the performance of social work organizations.

Hypothesis 1a: Board governance capacity is positively related to social work agency performance.

Hypothesis 1b: Departmental staff complexity is positively related to the performance of social work organizations.

Hypothesis 1c: The governance capacity of the party branch is positively related to the performance of social work organizations.

Hypothesis 1d: Institutional development is positively related to the performance of social work organizations.

Hypothesis 1d: Talent development mechanism construction is positively related to social work agency performance.

### 3. Empirical Process

#### 3.1 Descriptive Statistics

**Table 2.** Descriptive statistical analysis of variables

Properties	Divisions	Mean Value/ Percentage	Standard Deviation / Effective Percentage	Sample Size
Control variables	Organization age	76.410	46.647	979
	Registered capital	5.633	9.854	979
	Currently, the organization			
	Registered nature	13.800	97.800	956
	Civil non-enterprise	0.300	2.200	23
	Social groups			
	Institution registered social organization or social group administration registration	2.000	13.900	136
	Province/municipality/autonomous region	4.000	28.500	278
	Prefectural city/region/autonomous region	8.100	57.500	565
Internal Governance	Board governance	0.811	1.231	979
	Department staff complexity	1.472	.0938	979
	Institutional system	1.085	.0746	979
	Talent cultivation	1.084	.0657	979
	Party governance	2.010	0.315	979
Social Work Agency Institutional Performance	Number of cases served	9.160	53.594	979
	Number of groups served	2.560	11.132	979
	Number of community activities	14.950	35.706	979
	Organizational promotion platform and updates	1,124.908	565.028	979
	Organizational honors	0.605	.727	979

The analysis of descriptive statistics (see Table 2) of the control variables involved in this survey found that the average organizational age of the agencies is 76 years, the registered capital is 5.6

(million), and the registered nature of social work agencies is 97.8% for civil non-enterprise. Meanwhile, the agencies registered social organizations or social group administration registered more than 50% for district and county levels, which indicate that social work agencies are mostly district- and county-level civil non-enterprises by nature. Fewer and less free large social work institutions are managed by the government, indicating that large social organizations are more missing in China.

In terms of dependent variables, the mean value of council governance is 0.811, with low overall governance capacity; while in terms of complexity of departmental staff, the mean value is 1.472, indicating that departmental staff has more than two people in each department, with low complexity but wider distribution of departmental staff. In terms of institutional dimension, the mean value is 1 generation; financial, humanities, and other systems are perfect; meanwhile, for the party branch governance dimension, the average number of organizational meetings conducted per month is 2.

In terms of the performance of social work institutions, the average values of the number of cases served, the number of groups served, and the number of community activities carried out are 9.16, 2.56, and 14.95, respectively, which are still deemed a small number. Hopefully, the number of services can be increased the next year, along with the quality. The mean value of organizational publicity platforms and updates is 1,124.908, which indicates that social work organizations have more media platforms and updates, and their media influence is stronger. By contrast, the mean value of organizational and personal honors is 0.605, less than 1, which indicates that the honors of organizations require strengthening and improvement.

### 3.2 Correlation Analysis

To investigate whether a significant correlation exists between internal governance and social work agency performance (see Table 3), Pearson correlation was used to analyze the correlation between the five dimensions of internal governance.

**Table 3.** Statistical analysis of correlation of variables

	Council Governance <sup>(1)</sup>	Departmental Staff Complexity <sup>(2)</sup>	Institutional System <sup>(3)</sup>	Talent Cultivation <sup>(4)</sup>	Party Governance <sup>(5)</sup>	Institutional Publicity Platform and Updates <sup>(6)</sup>	Organizational Honors <sup>(7)</sup>	Number of Cases Served <sup>(8)</sup>	Number of Groups Conducted <sup>(9)</sup>	Organized Community-Event Sessions <sup>(10)</sup>
Council Governance	1									
Departmental Staff Complexity	-.066**	1								
Institutional System	-.064**	.316**	1							
Talent Cultivation	-.049**	.218**	.218**	1						
Party Governance	-.031*	.088**	.027*	.026*	1					
Institutional Publicity Platform and Updates	-.744**	0.001	0.002	0.003	0.002	1				
Organizational Honors	.035**	-.165**	-.087**	-.091**	-.033**	-0.001	1			
Number of Cases Served	-0.002	0.	0.	0.	0.	0.018	0	1		
Number of Groups Conducted	-0.002	0.	0.	0.	0.	0.002	0	.235**	1	
Organized Community-Event Sessions	-0.004	0	0	0	0.	0.008	0	.090**	.271**	1

\*\* At the 0.01 level (two-tailed), the correlation is significant.

\* At the 0.05 level (two-tailed), the correlation is significant.

The table below shows that the five dimensions of internal governance variables of board governance, departmental staff complexity, institutional system, talent development, party

governance, individual-organizational match, and social work agency performance all showed a two-way correlation ( $p < 0.05$ ). Council governance was significantly and positively correlated with social work agency performance ( $r = 0.053$ ,  $p < 0.01$ ); departmental staff complexity was significantly and negatively correlated with social work agency performance ( $r = -0.273$ ,  $p < 0.01$ ); institutional system was significantly and negatively correlated with social work agency performance ( $r = -0.184$ ,  $p < 0.01$ ); and talent development was significantly and negatively correlated with social work agency performance ( $r = -0.184$ ,  $p < 0.01$ ). Significantly negatively correlated ( $r = -0.136$ ,  $p < 0.01$ ) party branch governance was significantly negatively correlated with social work agency performance ( $r = -0.075$ ,  $p < 0.01$ ).

The correlation results of internal governance, individual organizational match, and social work agency performance provide preliminary support for further research on the interrelationship of the three.

### 3.3 Regressivity Analysis

To investigate the effects of the five dimensions of internal governance of social work organizations on the performance of social work organizations, the five dimensions of council governance, departmental staff complexity, institutional system, talent development, and party branch governance were used as independent variables. Social work organization performance was used as the dependent variable; and age, registered capital, nature, and level of the organization were added as control variables for regression analysis (see Table 4).

**Table 4.** Variable regressivity statistical analysis

Models	Unstandardized coefficient	SE	Standardization factor	t	Significance	R <sup>2</sup>	F
	B		Beta				
1 Constants	1.099	0.077		14.239	0.000	0.038	9.235
Age of the institution	0.001	0.000	0.112	3.502	0.000		
Registered capital	0.003	0.001	0.083	2.556	0.011		
Nature of registration	-0.117	0.065	-0.057	-1.794	0.073		
Registration level	-0.041	0.013	-0.099	-3.052	0.002		
2 Constants	1.678	0.110		15.215	0.000	0.222	29.593
Age of the institution	0.001	0.000	0.078	2.689	0.007		
Registration capital	0.002	0.001	0.050	1.699	0.090		
Nature of registration	-0.045	0.059	-0.022	-0.763	0.446		
Registration level	-0.018	0.012	-0.042	-1.426	0.154		
Board Governance	0.048	0.009	0.161	5.307	0.000		
Departmental Staff Complexity	-0.329	0.039	-0.270	-8.529	0.000		
Institutional System	-0.173	0.047	-0.116	-3.706	0.000		
Talent Cultivation	-0.134	0.051	-0.079	-2.614	0.009		
Party Governance	-0.022	0.010	-0.062	-2.127	0.034		

The results showed that all five dimensions significantly predicted the level of social work agency performance ( $p < 0.05$ ). Among them, council governance positively predicted social work agency performance ( $\beta = 0.161, p < 0.001$ ), departmental staff complexity negatively predicted social work agency performance ( $\beta = -0.270, p < 0.001$ ), agency system negatively predicted social work agency performance ( $\beta = -0.116, p < 0.001$ ), talent cultivation negatively predicted social work agency performance ( $\beta = -0.079, p < 0.01$ ), and party branch governance negatively predicted social work agency performance ( $\beta = -0.062, p < 0.05$ ). From the R2 results, the five dimensions of internal governance clearly explain 22.2% of the total variance in social work agency performance, and the regression equation test F-value of 29.593 reached a significant level of 0.01, indicating that the five dimensions of internal governance have significant regression results on social work agency performance.

#### 4. Conclusion

As social non-profit service organizations play an increasingly prominent role in building a modern social organization system and stimulating the vitality of social organizations, whether or to what extent various aspects of internal governance can play a role in the performance of social work organizations is not only a question at the practical level but also requires further theoretical consideration. Based on the data of the 2019 National Survey on Social Work Agency Dynamics, this research takes the relationship between internal governance and social work agency performance as an entry point to analyze the internal governance mechanism of social nonprofit organizations and provides relevant targeted suggestions.

The following conclusions can be drawn from the empirical analysis of this paper.

The internal governance of social work organizations can effectively influence their performance. Specifically, several dimensions of internal governance--board governance capacity, departmental staff complexity, party branch governance capacity, institutional development, and talent development--are significantly and positively related to institutional performance.

At the theoretical level, this study compensates for the existing research that focuses more on the relationship between social nonprofit organizations and the government and less on the individual social work organizations under contemporary nonprofit organizations. It also increases the empirical research and quantitative relationship examples of internal operation or governance on organizational performance. Moreover, this paper considers the internal governance of social organizations as a meso level and introduces it into the macro social governance sharing pattern. As a form of organization distinct from government departments and enterprises, studying the internal governance mechanism of social nonprofit social organizations is an important proposition. Furthermore, its theoretical perspective is more innovative and has academic value.

At the empirical level, this study has the following two contributions. First, the significant impact of internal governance on the performance of social work organizations, both in terms of the number of honors and services received by the organization and the promotion platform and renewal of the organization, is different from the previous studies that focused on the organizational public income and financial situation of social work organizations; it also questions the findings of studies that the internal governance structure of Chinese social organizations lacks normality and that the board of directors is virtual (Liu, Y. D., 2012). Second, the study also found that although social nonprofit service organizations are largely influenced by macro factors such as external relationships and policies and institutions, the management and operations that exist within the organization are more important determinants of organizational performance, suggesting that the academic results on the growth resilience and autonomy of social organizations are more relevant for subsequent organizations to participate more deeply in the shared social landscape of common governance.

However, top-down research results from the micro level of individual and staff management are scarcer than those from the organization's meso internal governance and macro social organization vitality stimulation. If the performance of social organizations and their institutional establishment

can be studied holistically from micro to meso to macro dimensions, it can promote the governance capacity and growth resilience of the organizations themselves in a comprehensive and multifaceted pattern. However, in recent years, as the state liberalizes the regime while simultaneously creating a multi-far linkage social governance system, Chinese social organizations are also in rapid transformation, and the external linkage of social organizations and the impact of the state policy system on them are worth further investigation. The study only focuses on the information about social work organizations in 2018, the follow-up tracking study is missing, and the data are not continuous and longitudinal. Moreover, the internal governance mechanism of social organizations also includes other contents, such as information disclosure and accountability, service regulation and efficiency, to name a few, which also need to be explored in depth by additional studies.

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