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Survey on the Satisfaction of Korean Businessmen in the Philippines : Survey of actual situation centered(focused) on Cebu area

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Abstract

The study analyzes the characteristics and various satisfactions of Korean businessmen entering the Cebu area of the Philippines. The analysis shows that the larger the size of capital, the more number of local employees there are. And there was no statistical significance between the size of capital and the satisfaction of business. In other words, it is also inconsistent to predict that increasing the size of local employees using low wages in the Philippines will increase the satisfaction of business. What's more interesting is that when there was a high satisfaction of business and a high level of satisfaction with children's education, there was a high level of satisfaction with local life in Cebu. The older Korean businessmen are, the higher their satisfaction with children's educational(education) and business satisfaction, and higher their satisfaction with living in Cebu, the report show.

Keywords: *crosstalk, size of capital, size of the local employees, satisfaction.*

1. INTRODUCTION

The Philippine economy began to recover in 2000. And the Philippines' economic growth rate hit 3.6 percent, which created the turning point of growth in 2013. The real GDP growth rate stood at 5.9 percent in 2015, 6.8 percent in 2016 and 6.9 percent in 2017. Recent economic growth in the Philippines is comparable to that of China as well as other ASEAN countries. These factors are largely attributable to: ① remittances of overseas Filipino workers (OFW); ② a surge in facility investment in the Philippines; and ③ an increase in foreign direct investment. In particular, the recent increase in foreign direct investment stemming from the Philippine government's economic policy and political stability is making basic conditions for economic growth good. In other words, it is positive in that the labor, capital, and technology needed for economic development have been introduced through direct investment, and access to international markets through foreign markets become became possible.

As such, foreign direct investment that drives economic growth in the Philippines is mainly Japanese

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companies, and the entry of Japanese small and medium-sized enterprises into the Cebu area is systematic and continuous with the Japanese industrial complex. On the other hand, Korean manufacturing companies' entry into the Philippines remains limited except for the Subic area. Nevertheless, for the Cebu area of the Philippines, the entry of Korean businessmen is emerging ahead of their entry into the manufacturing sector. To analyze these characteristics and their causes, the researchers conducted a direct survey from January 2015 to January 2019. This study is the result of a survey and an interview.

2. RESEARCH SCOPE AND PRECEDENT STUDY

2.1 Research scope

The first survey report on Korean businessmen conducted between January 2015 and January 2016 had regional and statistical restrictions. The Cebu City area is largely divided into the Cebu City's downtown (area) and the surrounding Mactan Island, and Korean businessmen are also distributed in these areas. Therefore, the first survey between 2015 and 2016 could not be conducted on the Maktan area because due to it was mainly centered on the Cebu urban area. In addition, statistical limitations also existed because basic was made with the questionnaire in the state of part 42. However, the second survey, which was conducted between 2017 and 1919, included the Mactan Island in the area. This study is the result of a total of 102 questionnaires and interviews combined with the first and second rounds. Therefore, it is free from restrictions on samples and which are regional and statistical restrictions. In this study, the general characteristics are found through frequency analysis and the second is to find the relationship between items in the questionnaire and their characteristics through cross analysis.

2. 2 Precedent study

When describing the Philippine(‘s) economy, it is (long and) complicated (and) time-consuming, as it is also complicated in geographical, political, historical and racial aspects. The Philippines received considerable political and economic benefits without restrictions or restrictions on economic activities for Chinese and indigenous elites, and as a result, it’s economic structure was formed differently from other Asian industrial countries [1,2]. According to Dogan, he pointed out that in the case of the Philippines, government expenditure is playing an important role in national development [3]. In addition, Hussin & Saidin investigated the impact on GDP between 1981 and 2008 using the economic variables of foreign direct investment (FDI), openness and formation of total fixed capital. The analysis results showed that all variables have a positive relationship to GDP [4]. Fuwa Nobuhiko raises the question of why poverty in the Philippines does not decline, even though economic growth in the Philippines has overtaken the performance in other Asian countries, over the past few years. That means, the long absence of poverty reduction in the Philippines is likely to be closely related to this decline in wages and labor income [5]. Willa Boots J. Tolo studied the determinants of per capita GDP growth in the Philippines, in particular, he said that fiscal deficit, inflation, trade openness, current balance and economic crisis are important determinants of economic growth [6]. On the other hand, Na Won-chan (2016) analyzed that the lower the monopolistic status of the Korean mother company due to the withdrawal of Korean companies from China, the worse the financial position, and the smaller the size of the company, the more likely it is to withdraw from China's three northeastern provinces [7].

3. RESULTS OF ANALYSIS

3.1 Frequency analysis

We have conducted a primary frequency analysis (Table 1) on the questionnaire in Part 102: By industry, tourism accounts for 28.4 percent, education 13.7 percent and other restaurants 43.1 percent. Behold from the motive of entry Face, business purposes account for 41.2 percent and educational purposes 34.3 percent. And 11.8% of them went to tourism. In terms of capital size, 47.1 percent of those under 100 million won and 26.5 percent of those under 200 million won accounted for 73.5 percent of the total. Most are small operators. In terms of the size of local employees, the number of local employees is 20.6 percent for 1 to 5 employees and 38.2 percent for 6 to 10 employees, accounting for 58.8 percent of the total. Moreover, the number of local employees stood at 13.7 percent of the 11-15 employees, accounting for 72.5 percent of the total. In other words, fewer than 15 small businesses were the majority.

Table 1. Frequency Analysis

Classi-fication	category	Fre.,	percent	Classi-fication	category	Fre.,	percent
Motive of entry	business	42	41.2	Satisfaction of business	very dissatisfied	5	4.9
	education	35	34.3		unsatisfactory	13	12.7
	climate and Environment	3	2.9		normal	34	33.3
	tourism	12	11.8		satisfaction	37	36.3
	other total	10	9.8		full satisfaction	12	11.9
	sum	102	100.0		sum	101	100.0
Size of capital	100 million won	48	47.1	Satisfaction of children's education	very dissatisfied	3	2.9
	200 million won	27	26.5		unsatisfactory	11	10.8
	500 million won	20	19.6		normal	32	31.4
	1 billion won	4	3.9		satisfaction	29	28.4
	1.1 billion won	3	2.9		full satisfaction	13	12.7
	sum	102	100.0		sum	88	100.0
Size of local employee	1~5people	21	20.6	Satisfaction with local employee	very dissatisfied	10	9.8
	6~10people	39	38.2		unsatisfactory	25	24.5
	11~ 15people	14	13.7		normal	33	32.4
	16~20people	10	9.8		satisfaction	26	25.5
	more than 21 people	18	17.6		full satisfaction	8	7.8
	sum	102	100.0		sum	102	100.0

Note: Fre., is frequency.

On the other hand, in the case of the satisfaction of business, 11.8% (12 cases) answered "very satisfied" and 36.3% (37 cases) answered "satisfied". That is, 48.1% of the respondents said that they were satisfied. Therefore, it can be considered that the Korean businessmen who have entered the Cebu area of the Philippines for education and business are generally satisfied. In addition, 24.5% (25 cases) answered that they were dissatisfied with the local people, and 9.8% (10 cases) answered that they were very dissatisfied. In other words, 34.3% of the respondents (35 cases) responded that they were generally dissatisfied. Finally, when we look at the age of founders, 40s account for 48.0% of the total, and the next 50 accounts for 24.5%. And 30s and 20s accounted for 15.7% and 6.9%, respectively. In other words, 72.5% of Korean businessmen in Cebu area are in their 40s and 50s.

3.2 Crosstalk

First, we found a statistically significant relationship between the size of capital and the size of the local employees who entered the Cebu area of the Philippines. Table 2, 3 shows that as the size of capital grows, the size of local employees also increases. Especially, when the size of capital is less than 200 million won, the number of local employees is less than 10, and when the size of capital is more than 200 million won and the number of employees is 21 or more, it is divided into two groups. In other words, the medium-sized capital and the number of employees were relatively small. As can be seen from the frequency analysis, Korean businessmen are largely divided into businesses with very small capital or employees, or with large capital and large employees in Cebu.

Table 2. The size of Capital and the Size of local Employees

	Item	The number of local employees in the Philippines					*sum*
		1~5	6~10	11~15	16~20	more than 21people	
The size of capital	not more than 100 million	10	16	10	6	5	47
	1 to 200 million	5	14	2	1	3	25
	200 to 500 million	5	2	2	1	10	20
	5 to 1 billion	0	1	2	0	3	6
	more than 1.1 billion	2	0	0	0	3	5
	sum	22	33	16	8	24	103
Pearson Kisequare		34.631		degree of freedom	16	significant probability	0.004

Note: The currency unit is the won, and the number of employees

Table 3. The Size of Capital and the satisfaction of business

	Item	The satisfaction of business					sum
		V. D	UN	NO	SA	F.S	
The size of capital	not more than 100 million	4	5	17	16	5	47
	1 to 200 million	0	5	6	10	4	25
	200 to 500 million	0	1	6	8	4	19
	5 to 1 billion	0	0	4	0	2	6
	more than 1.1 billion	0	0	2	1	2	5
	sum	4	11	35	35	17	102
Pearson Kisequare		17.929		degree of freedom	16	significant probability	0.328

Note: V.D: very dissatisfied, UN: unsatisfactory, No: normal, SA: satisfaction, F.S: full satisfaction.

On the other hand, there was no statistical significance between the size of capital and the satisfaction of business. Since there is no relation between the size of capital and the satisfaction of business, it can't be said that the satisfaction of business is necessarily high, it is because the size of the capital is large. In addition, there was no statistical significance between the size of local employees and the satisfaction of business. In conclusion, there was no connection with satisfaction of business, whether it is the scale of the capital or the scale of local employees.

However, cross-analysis between a life satisfaction and the satisfaction of business showed statistically significant results (Table 4, 5). That which is, the higher the level of satisfaction of business in Cebu was found to have the higher life satisfaction. This means that the better their business goes, level of satisfaction with living in Cebu goes high too. In addition, there is a statistically significant difference between the

satisfaction of children's education and a life satisfaction (Table 6). In other words, it can be interpreted that the higher the level of satisfaction with the education of businessman's children, the higher the level of satisfaction with their lives. In particular, 39.2 percent of the total is a businessman who responded that they are satisfied with their business and at the same time are satisfied with their lives. As such, it can be said that the satisfaction of business and life satisfaction of Korean businessman entering the Cebu area is highly interrelated with each other, and at the same time, they are satisfied with entering the Cebu area too.

Table 4. Capital Scale and business satisfaction

	Item	The satisfaction of business					sum
		V. D	UN	NO	SA	F.S	
Size of local employees	1~5	0	5	8	4	4	21
	6~10	3	4	11	11	4	33
	11~15	0	0	6	7	3	16
	16~20	1	1	1	4	1	8
	more than 21 people	0	1	9	9	5	24
	sum	4	11	35	35	17	102
Pearson Kisequare		16.898		degree of freedom	16	significant probability	0.392

Note: V.D: very dissatisfied, UN: unsatisfactory, No: normal, SA: satisfaction, F.S: full satisfaction.

Table 5. Life Satisfaction and the satisfaction of business

	Item	The satisfaction of business					sum
		V. D	UN	NO	SA	F.S	
Life Satisfaction	V.D	1	0	0	0	0	1
	UN	1	4	2	0	0	7
	NO	1	7	27	8	4	47
	SA	1	0	6	23	4	34
	F.S	0	0	0	4	9	13
	sum	4	11	35	35	17	102
Pearson Kisequare		104.400		degree of freedom	16	significant probability	0.000

From this analysis, we can see that one of the main reasons for determining the life satisfaction of Korean businessmen in the Cebu area is "the satisfaction of business" and "the satisfaction of children's education ". This is a feature that does not appear to Korean businessman who have entered other Asian area. And according to Table 7, it was also shown to be statistically significant between the satisfaction of business and the satisfaction of local employees. In other words, the satisfaction of business was also shown to be high when the satisfaction of local employees was high. To be specific, 26.5 percent (27) of the total said they were "satisfied" with the local employees in Cebu, while at the same time saying they were" satisfied" with their business.

Table 6. The satisfaction of life and childhood education

	Item	The satisfaction of children's education					sum
		V. D	UN	NO	SA	F.S	
Life Satisfaction	V.D	1	0	0	0	0	1
	UN	0	4	1	0	0	5
	NO	1	9	22	8	1	41
	SA	1	0	10	13	6	30
	F.S	0	0	2	5	5	12

sum		3	14	35	26	12	102
Pearson Kisequare		73.953		degree of freedom	16	significant probability	0.000

Note: V.D: very dissatisfied, UN: unsatisfactory, No: normal, SA: satisfaction, F.S: full satisfaction.

Table 7. The satisfaction of business and the satisfaction of Local People

	Item	The satisfaction of local people					sum
The Satisfaction of business	V.D	3	0	0	1	0	4
	UN	3	4	4	0	0	11
	NO	2	14	15	4	0	35
	SA	0	5	15	13	2	35
	F.S	0	2	3	8	4	17
	sum	8	25	37	26	6	102
Pearson Kisequare		115.806		degree of freedom	16	significant probability	0.000
		V. D	UN	NO	SA	F.S	

Note: V.D: very dissatisfied, UN: unsatisfactory, No: normal, SA: satisfaction, F.S: full satisfaction.

Table 8. The age of founder and satisfaction with children's education

	Item	The satisfaction of children's education					sum
		V. D	UN	NO	SA	F.S	
The age of founder	20s	2	1	1	1	0	5
	30s	0	5	8	0	0	13
	40s	1	4	19	17	8	49
	50s	0	3	7	7	4	21
	60s	0	0	0	1	0	1
	sum	3	13	35	26	12	89
Pearson Kisequare		40.360		degree of freedom	16	significant probability	0.001

Meanwhile, we were also found the significant results between the age of founders and the educational satisfaction of their children (Table 8). In other words, as businessman's age increases from 20s to 60s, we can find that the satisfaction with their children's education increases. In particular, in the case of the 40s and 50s, the satisfaction level of their children's education was higher than that of their 20s and 30s. Statistically, in the case of 40s or older, 40% (36 people) of Korean businessmen said that they were satisfied with their children's education in Cebu area. It can be estimated that the satisfaction of education for high school or college education in Cebu is more satisfactory than the low-grade education. This is probably because Korean businessmen in their 40s and 50s, whose children's education has been somewhat over, were able to actually feel the social benefits of English education and expertise compared to children's parents in their 20s and 30s.

However, there was no statistical significance between the age of founder and the satisfaction of business (Table 10). That is, unlike the expectation of younger people will be more satisfied with their business, or that older people will be more satisfied with their business, there has been no statistically meaningful result. We came to the conclusion that it was wrong to predictions that older managers will have more business experience and thus greater satisfaction with their business.

Table 9. The Age of founder and life satisfaction

	Item	Life satisfaction					sum
		V. D	UN	NO	SA	F.S	
The age of Founder	20s	1	0	3	1	0	5
	30s	0	0	10	6	1	17
	40s	0	5	20	21	8	54
	50s	0	2	12	6	4	24
	60s	0	0	3	0	0	3
	sum	1	7	48	34	13	103
Pearson Kisequare		30.001		degree of freedom	16	significant probability	0.018

Table 10. The age of founder and the satisfaction of business

	Item	The satisfaction of business					sum
		V. D	UN	NO	SA	F.S	
The age of Founder	20s	1	0	1	3	0	5
	30s	0	2	9	6	0	17
	40s	2	7	14	18	12	53
	50s	1	2	10	7	4	24
	60s	0	0	1	1	1	3
	sum	4	11	35	35	17	102
Pearson Kisequare		15.204		degree of freedom	16	significant probability	0.510

Meanwhile, according to Table 9, there were statistically significant results between the age of founders and their life satisfaction. In other words, for example, the older the founder is, the higher the life satisfaction of the 40s ~ 50s compared to the founders of the 20s ~ 30s. This result is presumed to be due to the fact that as the founder is grow older, and their social experience is increasing in Cebu, and as the know-how of living increases, the satisfaction of their lives increases naturally. In the crossover analysis, the higher the age of the founder, the higher satisfaction with life(Table 9), and the higher satisfaction with their children's education, moreover, the satisfactions with their lives was high when the satisfaction of their business was high(Table 5). In other words, the satisfaction of children's education, the satisfaction of business, and a life satisfaction were also high as they grew older.

4. CONCLUSIONS

The analysis results show that, in the First place, the larger the size of capital, the more the employee. Second, it was not statistically significant between the scale of capital and the satisfaction of business. That is, it was not a relationship with each other. Third, it was not statistically significant between the scale of the local employees and the satisfaction of business. In other words, our prediction which increasing the scale of local employees by taking advantage of low wages will result in greater the satisfaction of business were wrong. Fourth, when the satisfaction of life in Cebu was high, the satisfaction of business and the satisfaction of children's educational were also high. That is, when the satisfaction of business is high along with the satisfaction of children's education, we can be thought of the satisfaction of life in Cebu is high. And when the satisfaction with locals was high, the satisfaction of business was high. Fifth, the older founder were, the higher the satisfaction of children's education, the satisfaction of business and the satisfaction of life. Therefore, the satisfaction with entry into Cebu areas can be high when there is a lot of local experience and the time, and when the satisfaction of children's education and business become a reality.

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