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### Solutions to Enhance Employee Motivation at Efforts Pharma Co. Ltd

<sup>1</sup>Nguyen Quang Thu, <sup>2</sup>Nguyen Huu Loc

<sup>1,2</sup> University of Economics Ho Chi Minh City, Vietnam

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Corresponding Author: **Nguyen Quang Thu**

#### Abstract

This study aims to determine the factors that affect the work motivation of employees at Efforts Pharma Company Limited. The research results indicate that the most influential factor is Promotion Training with a regression coefficient of 0.289; the second is Job Self-Determination

with an impact level of 0.232; followed by Relationships at work 0.216 and Nature of work 0.212, both with nearly equivalent impacts. Based on these findings, the author proposes solutions to enhance employee motivation at Efforts Pharma Co. Ltd.

**Keywords:** Employee Motivation, Efforts Pharma Company Limited

#### 1. Introduction

Employee motivation in a business plays a critical role in improving individual and organizational work efficiency, and it is a significant concern in human resource management across all organizations. Creating motivation for employees is crucial in enhancing business performance. In the competitive pharmaceutical market, particularly for Efforts Pharma Co. Ltd, maintaining and boosting employee motivation is vital. The company is currently facing challenges such as reduced work efficiency and increased employee turnover due to a lack of motivation. According to the HR department, the turnover rate increased from 10% in 2021 to 17.1% in 2023. Therefore, enhancing employee motivation will contribute to stabilizing the workforce, increasing productivity, and improving company performance and development.

This project utilizes a theory-informed approach to address the issue. Based on the results of qualitative and quantitative surveys, combined with group discussions and in-depth interviews, it identifies key factors that significantly impact employee motivation, such as Promotion Training, Job Self-Determination, Nature of Work, and Work Relationships. These findings help the author propose solutions to enhance employee motivation at Efforts Pharma Co. Ltd.

Following the introduction, the subsequent sections of the article include: Theoretical Background and Research Model, Research Methodology, Research Results, and Conclusion.

#### 2. Theoretical Background and Research Model

Globally, numerous studies have been conducted on employee work motivation. Notably, Maslow's hierarchy of needs (1943) <sup>[14]</sup> uses a pyramid to describe human needs in five ascending levels: 1) physiological needs, 2) safety needs, 3) social needs, 4) esteem needs, and 5) self-actualization needs. According to Maslow's hierarchy of needs, human needs constantly change; once one need is satisfied, the next level of need emerges.

Herzberg's two-factor theory (1959) <sup>[7]</sup> posits that two groups of factors affect employee motivation: Maintenance factors and motivational factors. Motivational factors, when well-addressed, bring about employee motivation, whereas unmet maintenance factors reduce employee motivation.

Adams (1963) <sup>[1]</sup> argues that people always seek fair treatment, suggesting that "employees tend to compare the effort they put in with the benefits they receive and compare this ratio with their colleagues in the company."

Edwin A. Locke (1968) <sup>[5]</sup> asserts that "when an individual has clear goals, they will focus and strive to complete specific tasks." Setting ambitious but achievable goals can create work motivation and enhance work efficiency.

Expectancy theory focuses on three relationships: First, the effort-performance relationship; second, the performance-reward relationship; and third, the reward-personal goals relationship. McClelland's (1985) <sup>[15]</sup> need theory emphasizes three needs: Achievement, power, and affiliation. McClelland's need theory (1985) <sup>[15]</sup> is practically significant for managers in motivating individuals within an organization by identifying each person's needs and job characteristics..

## 2.1 Overview of Related Studies both Domestic and International

Hackman and Oldham (1974) <sup>[6]</sup> identified five factors influencing employee motivation: (1) feedback from work, (2) autonomy, (3) skill variety, (4) task identity, and (5) task significance.

Kovach (1995) <sup>[10]</sup> found ten factors motivating workers: (1) interesting work, (2) achievement recognition, (3) personal role perception, (4) job security, (5) high salary, (6) training and development, (7) good working conditions, (8) superior's support, (9) constructive criticism, and (10) assistance from superiors for personal issues.

Tan and Waheed (2011) <sup>[23]</sup> identified twelve factors affecting employee motivation: (1) nature of work, (2) advancement, (3) achievement, (4) working conditions, (5) job stability, (6) relationship with superiors, (7) salary, (8) relationship with colleagues, (9) company policies, (10) career development, and (11) recognition.

Shaemi Barzoki *et al.* (2012) <sup>[17]</sup> found seven factors affecting employee motivation: (1) job safety, (2) company policies, (3) relationship with colleagues, (4) relationship with superiors, (5) working conditions, (6) personal life, and (7) salary and rewards. Results showed that working conditions had the most significant impact on employee motivation, while personal life had the least.

Yumiko Taguchi (2015) <sup>[22]</sup> identified nine factors influencing Japanese workers' motivation: (1) employee evaluation, (2) company goals, (3) promotion opportunities, (4) income, (5) organizational relationships, (6) job characteristics, (7) workplace conditions, (8) organizational structure, and (9) work-life balance.

Jacqueline Mukami Wambua and Joyce Nzulwa (2016) <sup>[24]</sup> identified three factors affecting work motivation: (1) welfare programs, (2) working conditions, and (3) job enrichment factors. High salary, job security, and enhanced welfare significantly boost motivation. Autonomy in sales decisions also plays a crucial role. Supportive leadership, appropriate communication, good relationships with colleagues, and acceptable working hours are essential in motivating the sales team.

Tran Kim Dung and Nguyen Ngoc Lan Vy (2011) developed a scale with four components: (1) suitable work, (2) reasonable policies and benefits (salary, bonuses, promotions), (3) good work relationships, and (4) company brand. Reasonable policies and benefits had the most significant impact on employee motivation.

Nguyen Cong Nhat and Nguyen Van Dung (2013) <sup>[16]</sup> identified ten factors influencing employee motivation in order: (1) money and promotion, (2) good working environment, (3) job security, (4) interesting work, (5) promotion and growth within the organization, (6) autonomy in personal matters, (7) constructive discipline, (8) organizational reputation, (9) personal attachment to employees, and (10) autonomy in work.

Bui Thi Minh Thu and Le Nguyen Doan Khoi (2014) identified seven factors: (1) salary and benefits, (2) corporate culture, (3) job autonomy, (4) training and development opportunities, (5) working conditions, (6) colleague relationships, and (7) leadership relationships. Salary and benefits, along with corporate culture, were the most significant factors.

Nguyen Thi Phuong Dung (2014) confirmed the reliability and validity of the employee motivation scale, including: (1) organizational policies, (2) work relationships, (3) job interest, and (4) social benefits.

Nguyen Thanh Vu *et al.* (2021) studied factors affecting the motivation of staff at Tu Du Hospital. Regression analysis showed seven factors affecting staff motivation in descending order: (1) training and promotion opportunities, (2) income (salary, bonuses, and benefits), (3) achievement recognition, (4) interesting hospital work, (5) hospital brand and culture, (6) working environment at the hospital, and (7) work relationships with superiors.

Trinh Le Tuan *et al.* (2021) identified five factors affecting motivation: (1) self-awareness, (2) organizational relationships, (3) working environment, (4) job characteristics, and (5) salary and rewards. Self-awareness was considered the most important factor.

## 2.2 Research Model

Based on a review of theories and relevant studies both domestically and internationally, as well as the results obtained from group discussions with experienced managers and employees in the organization regarding work motivation, the author identified five factors affecting employee motivation at Efforts Pharma Co. Ltd. These factors are: Nature of Work, Compensation Policies, Work Relationships, Working Conditions, and Promotion Training. From this, the author developed the research model.

## 3. Research Methodology

The author used a theory-informed approach to address the issue of work motivation at Efforts Pharma Co. Ltd:

**Qualitative Research:** This was conducted by reviewing scientific literature based on foundational theories and related studies both domestically and internationally, combined with group discussions, to develop the research model and adjust the measurement scales to fit the context of Efforts Pharma Co. Ltd.

**Quantitative Research:** A 5-point Likert scale was used, and survey questions were distributed to employees of Efforts Pharma Co. Ltd. to assess their current level of work motivation. SPSS software was used to process the collected data. Exploratory factor analysis (EFA) and Cronbach's Alpha, as well as multiple linear regression analysis, were used to evaluate the reliability of the model's measurement scales.

## 4. Results

### 4.1 Reliability Testing of Scales Using Cronbach's Alpha

The results of Cronbach's Alpha analysis for the six scales were all greater than 0.6, and all observed variables had a total correlation greater than 0.3. Thus, there are six factors as per the initial theoretical model, with five independent factors (Nature of Work (BCCV), Working Conditions (DKLV), Work Relationships (QHCV), Compensation Policies (CSDN), Promotion Training (DTTT)) and one dependent factor (Work Motivation (DLLV)). Therefore, the scales are reliable, and all 24 observed variables were retained for exploratory factor analysis (EFA).

**Table 1:** Results of the EFA Analysis for Independent Variables

Items	Factors				
	1	2	3	4	5
QHCV2	<b>.781</b>	.237	.243	.333	.049
QHCV3	<b>.748</b>	.369	.175	.198	.207
DKLV3	<b>.714</b>	.361	.250	.130	.202
QHCV4	<b>.643</b>	.259	.171	.202	.397
DKLV2	<b>.607</b>	.407	.460	.242	-.039
QHCV1	<b>.532</b>	.288	.286	.413	.393
DKLV1	<b>.494</b>	.470	.417	.148	.259
CSDN4	<b>.485</b>	.237	.465	.241	.401
DTTT4	.278	<b>.741</b>	.358	.203	.131
DTTT3	.331	<b>.727</b>	.193	.185	.328
DKLV4	.557	<b>.654</b>	.160	.162	.171
CSDN3	.288	<b>.653</b>	.218	.360	.259
DTTT1	.418	<b>.638</b>	.264	.365	.160
BCCV2	.232	.326	<b>.776</b>	.264	.050
BCCV1	.217	.164	<b>.695</b>	.312	.255
DTTT2	.333	.524	<b>.553</b>	.200	.104
BCCV3	.117	.280	.219	<b>.800</b>	.208
BCCV4	.320	.070	.404	<b>.753</b>	.014
CSDN2	.327	.467	.139	<b>.675</b>	.071
CSDN1	.206	.246	.125	.100	<b>.887</b>

The results of the EFA show that observed variables in different scales have merged and split into new groups. Several observed variables are simultaneously found in different scales, failing to achieve discrimination between the scales. These variables must be removed from the scales. After multiple iterations to achieve discriminant validity (see Table 4, final EFA analysis), five groups were formed with a total variance explained of 84.35%. The KMO coefficient is 0.896, which is greater than 0.5, indicating that factor analysis is suitable for the research data. Table 4 also shows that the last group has only one observed variable (CSDN1), so it was also removed. After the EFA analysis, there are only four scales (four groups) remaining, with nine observed variables removed: QHCV1, DKLV1, DKLV2, DKLV4, CSDN1, CSDN2, CSDN4, DTTT1, and DTTT2.

After the EFA analysis, the scale consists of four components. The factors extracted from the 11 observed variables were renamed as follows:

Group (1) consists of four observed variables: QHCV2, QHCV3, QHCV4, and DKLV3, renamed to “Work Relationships” (QHCV).

Group (2) consists of three observed variables: DTTT3, DTTT4, and CSDN3, renamed to “Promotion Training” (DTTT).

Group (3) consists of two observed variables: BCCV1 and BCCV2, retaining the original name “Nature of Work” (BCCV).

Group (4) consists of two observed variables: BCCV3 and BCCV4, renamed to “Job Self-Determination” (TQCV).

Rechecking Cronbach's Alpha coefficients for the newly formed groups shows that all groups have a CA coefficient greater than 0.7, indicating convergent validity.

**4.2 Regression Analysis**

The research model includes one dependent factor, Work Motivation (DLLV), and four independent factors (Work Relationships (QHCV), Promotion Training (DTTT), Nature of Work (BCCV), Job Self-Determination (TQCV)). The regression results are presented in Table 7.

**Table 2:** Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std	Beta		
(Constant)	.099	.279		.354	.725
DTTT	.289	.109	.296	2.662	.010
BCCV	.212	.096	.222	2.217	.030
TQCV	.232	.085	.249	2.724	.008
QHCV	.216	.109	.213	1.989	.051

a. Dependent Variable: DLLV

The coefficient of determination  $R^2 = 0.704$  indicates that 70.4% of the variation in the dependent variable is explained by the independent variables in the model. The adjusted  $R^2 = 0.687$  is also very high, suggesting that the regression model is significant and that the independent variables explain the dependent variable's variation well after adjusting for the increase in the number of independent variables. The standard error of the estimate is 0.36945, indicating the regression model's accuracy is relatively good.

The regression model is as follows:

$$DLLV = 0.99 + 0.216 QHCV + 0.289 DTTT + 0.212 BCCV + 0.232 TQCV$$

The research results show that the most influential factor is Promotion Training with a regression coefficient of 0.289; the second is Job Self-Determination with an impact level of 0.232; followed by two factors with nearly equivalent impacts: Work Relationships (0.216) and Nature of Work (0.212).

**5. Conclusion**

One of the highlights of this project is identifying factors affecting employee motivation such as: Lack of promotion opportunities, lack of autonomy, salary and benefits at the company. The absence of continuous training programs and the feeling of being undervalued are also major issues. A working environment that does not foster employee development and progress can lead to talent loss and impact the company's performance.

**5.1 Limitations of the Project**

Although the proposed solutions regarding factors such as Promotion Training, Job Self-Determination, Nature of Work, and Work Relationships contribute to enhancing employee motivation at Efforts Pharma Co. Ltd., there are still some limitations to consider:

The implementation level of solutions may vary between departments, making it difficult to ensure consistency. Significant commitment and effort from the company's leadership are needed to drive and maintain change.

The solutions require investment in time, personnel, and finances, so careful consideration is necessary before implementation to achieve optimal effectiveness.

Evaluating the effectiveness of the solutions is challenging. While the research provides important information, applying the results and proposals in practice may encounter difficulties.

**5.2 Recommendations for Project Improvement**

Based on the analysis and discussion on the feasibility of improving the project, the author recommends that the

company prioritize the solution: Promotion Training, to address the current issues of the company. This solution aims to stabilize the workforce and is considered the most feasible. Although initially the company incurs high costs for recruitment and training, the new personnel are carefully screened and selected to fit the working environment, helping stabilize the workforce. Additionally, with the recruitment of new personnel, due to the direct impact on recruitment and staffing results, the leadership is very interested in reviewing the specific plan and content of the training program to ensure it fits the reality of the employees.

Apart from addressing the main cause of workforce stabilization, this solution also helps resolve other related issues such as employee autonomy, nature of work, and work relationships.

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