

## Drivers of life satisfaction and happiness: Evidence from Can Tho City, Vietnam

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### ABSTRACT

This article aims to identify the drivers of the life satisfaction and happiness according to basic demands explored in motivational theories and the inclusion of the need for association participation. Structured questionnaire was directly delivered to 454 poor families living in nine districts of Can Tho. The data was processed by using SmartPLS with partial least squares (PLS) technique. The study found that existence needs, growth needs and needs of association participation can mostly explain the model which remarkably contribute to the literature of life satisfaction and happiness. In addition, the needs for association participation and life satisfaction positively affect people's life happiness. In order to improve the living standards of local people, the government should clearly understand what residents really target to in life and fundamental demands of survive and self-development should be carefully considered and supported by the local authority and private organizations.

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## 1. Introduction

The world is changing constantly, which leads to the change of life quality and circumstances. Consequently, the evaluation of national happiness or well-being has become not only the inevitable aspect in most countries and regions but also the interesting sector for scientists and students. Many nations highly appreciated the Gross National Happiness (GNH) rather than Gross Domestic Product (GDP). According to the World Happiness Report (2019), Vietnam ranks the 94<sup>th</sup> place out of 156 countries, moving up a step of the ranking ladder compared to the previous year. The evaluation of total score is 5,175 including GDP per capital, social support, healthy life expectancy, freedom to make life choices, generosity and perceptions of corruption. Among these criteria, its index of generosity and social support account for a significant percentage by virtue of plentiful sharing and helping activities in Vietnam. There were 22.9% people donating money to a charity and 12.0% people volunteering time to an organization within the past month. In addition, Vietnam is considered as a friendly environmental country as its Happy Planet Index (HPI) was 40.3, ranking the 5<sup>th</sup> of 140 countries all over the world and the 2<sup>nd</sup> of the Asia Pacific region. This index is calculated based on the life expectancy, well-being and ecological footprint. Vietnam is one of the three of the top ten countries of HPI rankings with an ecological footprint small enough to be environmentally sustainable. It has been the first time that Vietnam stands in the top ten countries which are the best for expatriates to live and work (Expatriate Explorer Report, 2019). Known as the country of welfare and eco-friendliness, Vietnam has been mentioned more and become popular in different happiness reports. The subjective of well-being consists of such perceived components as life satisfaction, feelings of happiness, positive and negative effects and the absence of distress (Angner, 2010). Several psychological researches have been conducted in terms of different aspects to various subjects contributing to the satisfaction and happiness literature. Nanthamongkolchai et al. (2009) investigated the well-being relationship where self-esteem, social support, and family relationship influence and predict the life happiness of elderly female. There has been a great deal of topics that exploit

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the life satisfaction aspects such as career satisfaction, marriage satisfaction, health satisfaction and religion satisfaction, etc. (Thin, 2013). Besides, De Vroome and Hooghe (2014) focused on the life satisfaction differences between immigrants and native population. The research of Oishi et al. (2009) identified the variations of life satisfaction sectors in terms of needs and values; for instance, the financial satisfaction is closely related to life satisfaction in poorer countries meanwhile home life satisfaction is strongly relevant to wealthy nations. In this case, needs and values play the role of predictor of life satisfaction across the cultures. Such researches of life satisfaction and happiness have yet to be conducted and published in Vietnam. The study of Hanh (2013) just deeply analyzes the life satisfaction according to two specific sectors which are occupation or jobs and living standards. However, it restricts in exploring the relationship between human basic demands and emotional well-being, which leaves the gap in life satisfaction and happiness literature. As a result, the present study aims to determine the factors affecting the life satisfaction and happiness in terms of human demands based on motivational theory. Furthermore, the article supplements the needs of association participation into the research framework. Social participation relates to how individuals involve in such societal optional activities as friendship, politics, associations, neighboring, outdoor recreation and mass media activity (Smith, 1994). The study also examines the positive relationship between life satisfaction and happiness. The remainder of the study is structured as follows. The second section conceptualizes the research framework through the concepts of life satisfaction and happiness and then derives the hypotheses. The next section presents the research methodology. It is followed by the fourth section that analyses the data and demonstrates the outputs. Finally, the fifth section provides the findings, both theoretical and practical implications in addition to existing limitations and recommendations for further research.

## 2. Model conceptualization and hypothesis development

The common approach to understand human motivation is the internal cognitive processes based on what people feel and how they think (Dinibutun, 2012). Motivational theories explored human needs, their relative strengths and the goals they pursue to satisfy these needs, which highlighted the nature and motivation of demands. Such theories can be typically listed as Maslow's hierarchy of needs theory, Alderfer's modified need hierarchy model, Herzberg's two-factor theory and McClelland's achievement motivation theory. Dinibutun (2012) demonstrated these theories into the table of linkage (Table 1).

**Table 1**

Linking Maslow's, Alderfer's and Herzberg's Theories of Motivation

Maslow's hierarchy of needs	Alderfer's ERG theory	Herzberg's two-factor theory
Physiological	Existence	Hygiene Factors
Safety	Relatedness	
Love		
Esteem	Growth	Motivators
Self-actualization		

In terms of Maslow's theory (1943), human is wanting beings, and often wants more and what they want relies on what they already achieve, which is in the series of levels known as the hierarchy of important. The Maslow's hierarchy ranges through five steps from physiological needs, safety needs, love (social) needs and esteem needs to the highest level of the need for self-actualization. Once a lower demand is satisfied, it is no longer seen as a strong motivator and thus the next higher level of need becomes the great influence. People move up the demand ladder as their lower level has been fulfilled. It is the unsatisfied demands that impulse human and control their behaviors. The contribution of Maslow has generated attention to various motivators and relevant study and research (Dinibutun, 2012). However, Maslow's hierarchy seems to be a controversy theory which contains both criticism and support (Taormina & Gao, 2013). Herzberg's two-factor theory (1959) referred to satisfiers as motivators and the dissatisfiers as hygiene factors whereas McClelland's theory (1995) determined the three main socially developed motives: achievement motive, power motive and affiliative motives. More importantly, Alderfer (1969) modified the Maslow's theory into a new model with the three core basic levels including existence, relatedness and growth (ERG theory). Specifically, the aspects of *safety* and *physiological* needs in Maslow's model are merged into existence needs. The *social* sectors relating to the interaction between individuals and the *external esteem* needs related to being respected by others are classified into the relatedness needs. Finally, the *self-actualization* and *internal esteem* needs known as the self-esteem integrated into the growth needs. Human desires are usually complicated and include different basic demands and all of them govern the human behaviors. Unlike Maslow's pyramid, the ERG theory mentioned the regression process when failure, which implicates men often come back to the lower needs when the higher-level cannot be satisfied. Consequently, there were three relationships among the demand levels: Satisfaction-progression (stepping up higher-level needs based on satisfied needs); Frustration-regression (regress to the lower and easier level needs if a higher level need is unfulfilled) and Satisfaction-strengthening (maintaining satisfaction or strengthen lower level needs iteratively when it fails to gratify high-level needs) (Ball, 2012). In this situation, the study seems to be suitable with ERG theory rather than Maslow hierarchy. On the other hand, previous studies have proved the correlation between social or association participation and

happiness (Azizi et al., 2017; Ericson & Vinson, 2012). For these reasons, the research model includes the three basic demands of the ERG theory: Existence needs, Relatedness needs, Growth needs and the new variable, Needs for association participation. These variables form into the four supposed factors affecting life satisfaction and happiness. As Alderfer (1969) stated, existence needs are associated with the sustaining human existence and survival, which covers physiological and safety needs of a material nature. The needs in this level are tangible and easy to recognize. They include all material and physiological wants such as food, drink, air, sleep, shelter, physical love and affection. In terms of security, people demand struggle against starvation, diseases, attack and natural disasters (Mathes, 1981). Taormina and Gao (2013) insisted the correlation between the life satisfaction and the satisfaction level of such components of Maslow's theory as physiological and safety-security needs. People who confirm their health as 'very good' were more in the high life satisfaction category, likely five times, than those with the 'poor' health (Ericson & Vinson, 2012). It is significantly believed that the more satisfied people's existence demands are, the more life satisfaction they achieve. Therefore, the existing study proposes the hypothesis as below:

**H<sub>1</sub>.** Survival needs affect life satisfaction.

Happiness is conceptualized as "the degree to which an individual judges the overall quality of his/her own life-as-a-whole favorably" (Veenhoven, 2012). Human often feel unhappy when they live in miserable conditions. Furthermore, being in good health seems to predispose human to enjoy a high level of life satisfaction and happiness (Ericson & Vinson, 2012). Those who described their health as 'very good' are more likely rather than the 'poor'. Consequently, it has remained a close relationship between the needs for survive and happiness. Based on previous evidence, the following hypothesis has been developed:

**H<sub>2</sub>.** Survival needs affect life happiness.

Relatedness needs consists of the security, belonging and respect senses. These demands are connected with the relationships to the social environment and they also cover love or belonging, affiliation and meaningful interpersonal relationships of a safety or esteem nature corresponding to the Maslow's third and fourth levels (Alderfer, 1969). The sense of security indicates the trust among individuals (Yang et al., 2011). Furthermore, the needs in this level refer to the relationships with others like family, friends, co-workers and employers. In fact, people usually wish to be accepted and become members of a group because the needs for belongingness involve the love and caring from others. Additionally, the sense of respect refers to the feeling of respect from others known as popularity, social status, superiority, importance and compliment, which provide human value for their existence. Relatedness needs are less concrete than existence, depending on relationship between members. According to Ericson and Vinson (2012), the self-identified social class is associated with both life satisfaction and happiness as the rates of people describing themselves with high degree of happy and satisfaction decline gradually as moving from upper, middle to lower class. Happy and satisfied people have a higher level of trust in others; furthermore, a high degree of trust is associated with both a high measure of life satisfaction and being happy in terms of family. Similar to existence needs, there is a connection of Maslow's belongingness and esteem needs and the life satisfaction, which generates the correlation between relatedness needs and life satisfaction (Hills & Argyle, 2002; Nanthamongkolchai et al., 2009; Taormina & Gao, 2013). Therefore, these hypotheses are formed:

**H<sub>3</sub>.** Relatedness needs affect life satisfaction.

**H<sub>4</sub>.** Relatedness needs affect life happiness.

Growth needs are relevant to the development of potential covering self-esteem and self-actualization (Alderfer, 1969). The demand of self-esteem relates to self-productive aspects including the ability to achieve or control, to build confidence, upgrade knowledge, become independent and feel competent (Yang et al., 2011). Besides, self-actualization indicates such self-accomplishments as obtaining goals and developing personality. In other words, it involves seeking after truth, giving unselfish love to others, achieving a good human being, promoting justice, honest and maintaining integrity (Mathes, 1981). Self-actualization also consists of the abilities to realize one's potentials and stimulate their growth. These demands impulse individuals to make creative and productive effects on themselves and the environment. As a result, growth needs are the least concrete in that their specific objectives depend on the uniqueness of each person. Growth needs relates to the life satisfaction and happiness thanks to the connection of satisfied Maslow's components with human feelings (Hills and Argyle, 2002; Nanthamongkolchai et al., 2009; Taormina & Gao, 2013). There are small but significant relationship between education with both happiness and life satisfaction (Ericson and Vinson, 2012). In addition, the perception of people on how much freedom of choice and control that they think they can achieve over the way their lives turn out is statistically related with the level of happiness and life satisfaction. There are also strong positive correlations of positive attitudes and confidence in various institutions such as parliament, political parties and the press. For these reasons, the following hypotheses have been developed:

**H<sub>5</sub>.** Growth needs affect life satisfaction.

**H<sub>6</sub>.** Growth needs affect life happiness.

As mentioned by Arnstein (1969), association participation is an eight-step ladder including manipulation, therapy, informing, consultation, placation, partnership, delegated power and citizen control. Choguill (1996) argued that the objectives of community participation is not only the empowerment but also the self-management and mutual help with the support of groups

outside the community such as non-governmental organizations. Therefore, the eight-step ladder of Arnstein (1969) might only be suitable for developed countries, which requires another suited to developing or underdeveloped countries known as empowerment, collaboration, reconciliation, pretense, manners, information, conspiracy and self-management. In general, the community can implement various activities to meet its basic demands with the support from outside. Being connected with a community, either large or small, is associated with human attitudes (Ericson and Vinson, 2012). Specifically, the degree to which individuals evaluate themselves as members of their local community strongly increase with the level of life satisfaction and happiness. The efforts to enhance the life satisfaction of others may contribute to the life of individuals since the proportion of those in charitable or humanitarian organizations were significantly different and greater satisfaction compared to people in non-groups. These evidences prove the importance as well as the influence of association involvement and we propose the hypotheses as below:

**H7.** Needs for association participation needs positively affect life satisfaction.

**H8.** Needs for association participation needs positively affect life happiness.

According to Veenhoven (2012), life happiness refers to the 'well-being' or 'quality of life' and denotes both individual and social welfare. The happiness is divided into four main levels including physical gratification, ego-gratification, contribution and transcendence in terms of the motivation of human decisions and behaviors (Branya, 2015). Happiness is considered in terms of classical sense of satisfaction of innate wishes that it is the fulfillment of desire; in contrast, unhappiness is generally nonfulfillment such as frustration, continual heartache and yearning. It remains a positive correlation between satisfaction and happiness (Hills & Argyle, 2002). Therefore, the study posits that:

**H9.** The life satisfaction needs positively affect life happiness.

### 3. Research methodology

#### 3.1. Measure of constructs

The questionnaire of the research consisted of two parts: the first part mentioned demographic questions about respondents while the second part was related to items assessing demands and attitudes' constructs. Demographic information included address, gender, age, income, educational level, occupational status, family members, association participation, loan status, support demands and volunteer willingness. To enhance the content validity, the items of constructs resulted from previous studies. All the items have been demonstrated in Table 2.

**Table 2**

Measurement model evaluation

Constructs	No. Items	Factor Loadings	Cronbach Alpha	CR	AVE
Existence needs (EXI)	4	0.743-0.849	0.774	0.899	0.691
Relatedness needs (REL)	4	0.712-0.784	0.759	0.880	0.595
Growth needs (GRO)	4	0.797-0.854	0.851	0.856	0.600
Needs for association participation (AP)	4	0.657-0.857	0.773	0.856	0.577
Life Happiness (LH)	3	0.725-0.874	0.744	0.854	0.663
Life Satisfaction (LS)	5	0.746-0.815	0.830	0.855	0.597

#### 3.2. Procedure and data collection

The research used quota sampling of the poor households in Can Tho city. The sample of 454 households from nine districts of Can Tho were approached and delivered the structured questionnaire, averagely, about 50 responses for each district. The sample was taken from number of poor households participating in the economic development activities such as: cultivation, husbandry, participating in the model of escaping poverty points, vocational training and given capital support to stimulate economy, etc.

#### 3.3. Statistical methods

The partial least squares (PLS) technique of structural equation modeling (SEM) employing SmartPLS Version 3.0 was considered to apply for the research model. This statistical method was utilized to examine the appropriateness that present the complicated model in terms of valid analysis (Hair et al., 2011). The two-step approach was implemented to analyze the collected data. First, the measurement of model was evaluated and in the second step, the findings of influential relationships were identified among different constructs. Before the explored existing relationships in the model and this statistical technique were conducted, the study made efforts to measure the reliability and validity of the measurements.

### 4. Research Findings

#### 4.1. Sample characteristics

As regards the descriptive analysis, there is no difference in gender with the masculinity and femininity rate are 58.1% and 49.1% respectively. The results also prove the extend-family status as most of the interviewed households (69.4%) confirm to the group of 1 to 6 family members. In addition, the majority of respondents belong to the medium-income of 21-40 million

per month with 58.1% followed by group 4-20 million (29.7%) and 41-60 (11.7%). Consequently, in terms of financial support, most of the interviewees confirm the demand for loan (20.3%) and the extreme demand for loan (40.7%) while 14.3% have not realize the need and 7% do not need to loan. Beside finance, 15.9% of the respondents confirm and 59% intensely desire other support. Due to difficult conditions, the number of those enjoying poverty policies is 428 families accounting for 94.3%. Among them, 12.1% show the quite eager and 67.4% are extremely willing to support others for escaping poverty, which presents the empathy together in the community.

4.2. Measurement model results

The reflective constructs were investigated according to the reliability and validity. Composite reliability (CR) is equivalent to Cronbach’s alpha and measured through the relation with internal reliability. Table 2 demonstrates the CR of all the constructs which was greater than 0.7 and thus satisfies the rule of thumb by Hair et al. (2013). Based on the acceptance of items with a minimum loading of 0.6 recommended by Hair et al. (2010), the reliability of component items was logically valid because all the constructs have loadings above 0.6. The average variance extracted (AVE) was used for the evaluation of the convergent validity which exceeded 0.5 in terms of all constructs. As a result, the convergent validity of those constructs was adequate (Fornell & Larcker, 1981). Two procedures were applied to identify the discriminated validity in the constructs. In the first step, the indicators of cross-loadings were checked so that their opposing construct did not exceed any indicator load (Hair et al., 2012). Next, the value of the inter-correlations between the construct and other model constructs were calculated through the square root of the AVE of a single construct (Table 3). Both the analyses claim that the means of all variables were larger than three.

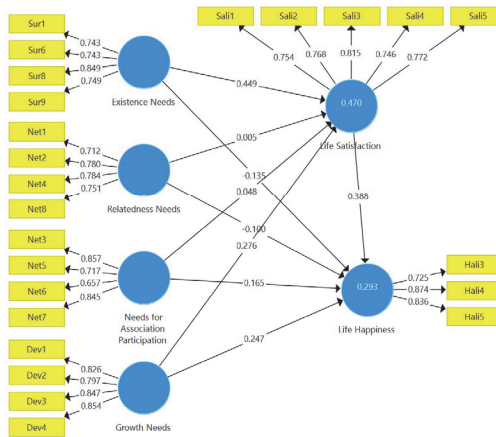


Fig. 1. Structural Path Model

Table 3  
Discriminant Validity Coefficients

	Mean	SD	GRO	LH	LS	AP	REL	EXI
GRO	3.505	0.84692	<b>0.831</b>					
LH	3.3113	0.8174	0.439	<b>0.814</b>				
LS	3.1507	0.83385	0.575	0.481	<b>0.772</b>			
AP	3.4124	1.00587	0.573	0.35	0.452	<b>0.774</b>		
REL	3.9394	0.71654	0.448	0.187	0.37	0.586	<b>0.757</b>	
EXI	3.5301	0.81191	0.603	0.306	0.643	0.542	0.477	<b>0.772</b>

SD = Standard Deviation - Diagonals (in bold) represent square root of the AVE

4.3. Structural model result

The structural model was afterwards measured with the suitable results of the measurement model. The Standard Root Mean Square Residual (SRMR) of the model was 0.072, which was an appropriate fit estimating the usual cut-off of 0.08 (Henseler, 2014). The model predictive accuracy was evaluated with regard to the fraction of difference shown. The results demonstrate that the model could explain 47% and 29.3% of the difference in life satisfaction and life happiness respectively. In addition to the R<sup>2</sup> magnitude, the Stone- Geisser Q<sup>2</sup> cross-validated redundancy value was considered to measure the predictive significance according to a blindfolding technique in the PLS (Stone, 1974; Geisser 1975). The current study achieved 0.182 and 0.259 in terms of the life satisfaction and life happiness respectively, which were significantly greater than zero for the average cross-validated redundancy (Chin, 2010). Consequently, the model obtained up to a standard fit and high predictive significance. Non-parametric bootstrapping (Wetzels et al., 2009) was utilized with 1000 replications to check the structural model. Table 4 demonstrates the structural model that derived from the PLS analysis. As is illustrated, all the paths were significant with the exception of three hypotheses (H<sub>3</sub>, H<sub>4</sub> and H<sub>7</sub>).

**Table 4**  
Path coefficient and hypothesis testing

Hypothesis	Relationship	Path Coefficient	Decision
H1	EXI → LS	0.449*	Supported
H2	EXI → LH	-0.135***	Supported
H3	REL → LS	0.005	Not Supported
H4	REL → LH	-0.100	Not Supported
H5	GRO → LS	0.276*	Supported
H6	GRO → LH	0.247*	Supported
H7	AP → LS	0.048	Not Supported
H8	AP → LH	0.165**	Supported
H9	LS → LH	0.388*	Supported

\*  $p < 0.001$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.05$

## 5. Discussion

The purpose of the research was to investigate the well-being of families with penury situation living in Can Tho City. In terms of human basic demands, existence needs, growth needs and association participation needs have great influences on dependent variables. Life satisfaction still remains the intermediate relationship between independent variables and life happiness. Both existence needs and growth needs have direct and even indirect effects on life happiness through life satisfaction. The association involvement needs do not have impact on life satisfaction but on life happiness. Besides, networking needs confirm no relations with both life satisfaction and life happiness so it is removed out of the research model. As regards life satisfaction, the influence of existence needs and growth needs have the same direction with Taormina and Gao (2013) where the more Maslow's demands are satisfied, the more life satisfaction human can achieve. The research subject is poor families living in the city; therefore, these residents just focus on how to improve the quality of their daily life. What makes them feel enough with their lives is something related to existence needs including the need for sleep, food, water, physical health and suitable surrounding temperature. They also have the desire of a safe and secure place to live and being protected from dangers in the environment as well as the wish for financial security and stable life. The protection here can be listed as fighting against being attacked, war, disease, natural catastrophes and even criminal assault. It is the indigent condition that forces the local to seek for the sufficiency in fundamental fulfillment. Additionally, life satisfaction can also be derived from the satisfied growth needs which are relating to self-development aspect in human life. This concept can be significantly known as self-fulfillment, self-acceptance, enjoying life, doing what they want, owning life fully and gratifying their own hopes. The effect of existence needs ( $f^2 = 0.213$ ,  $p < 0.001$ ) seems greater than that of growth needs ( $f^2 = 0.078$ ,  $p < 0.001$ ) on life satisfaction. In general, people desire the self-development for better income that can improve their quality life and the ability to face or tackle difficulties. In other words, the poor households prioritize their life for the needs relating to improving themselves instead of any demands about relationship or interaction with the community.

The result reveals that life satisfaction puts the highest influence on happiness ( $f^2 = 0.113$ ,  $p < 0.001$ ). Among the basic demands, growth needs ( $f^2 = 0.044$ ,  $p < 0.001$ ) are the greatest demand factor affecting life happiness followed by association participation needs ( $f^2 = 0.02$ ,  $p < 0.01$ ) and existence needs ( $f^2 = 0.012$ ,  $p < 0.05$ ). This finding can support the theory of Nanthamongkolchai et al. (2009) that self-esteem had the strongest influence on the life happiness; therefore, residents notice their self-value and potential ability are open mind, understand their current condition, behave properly, own good relationships with others and are satisfied with their social level of environment. Those with high level of self-actualization are stimulated to look after themselves that brings a better quality of life leading to life happiness of human. Additionally, the positive effect of association involvement needs corresponds to the study of Nanthamongkolchai et al. (2009) that social support is the second strongest factor influencing happiness as it improves the local's physical and mental living and adjust themselves for happy life. Besides, participation in social activities is significantly correlated with the well-being. The study of North et al. (2008) also confirmed the relevance of social support to happiness. In terms of existence needs, this factor brings the positive effect on life satisfaction but negative impact on happiness. It means the residents seem satisfied with the current living with what they have; however, they still have to tackle unexpected risks or difficulties that interrupt their working efficiency and worsen the financial condition, which reduces their happiness. This phenomenon can be related to the recent natural disaster, the salinity intrusion, happening in Mekong delta in the summer of 2020. Being a member of the Southwest region with the popularity of farming, Can Tho is one of the victims suffering its severe damages. The salinity degree measured in monitoring stations is above the warning threshold, reaching the peak of 3.1% higher than 1% compared to the peak of 2016 (Department of Natural Resource and Environment, 2020). The long-lasting drought caused serious water lack for living and production leading farmers to find difficulties in agricultural activities. The challenges of struggling for water supply and changing into other types of plants for better conditions can generate the financial burden for residents' daily life. The natural disadvantages make people worry for their survival demands and lose happiness during the time of conducting research, which explains the negative effect of existence needs on happiness. In general, residents feel enough living possessions but are still annoyed by sudden problems that interrupt daily work and lower their income. The outcomes indicate no remarkable impact of relatedness needs affecting on life satisfaction and life happiness ( $p > 0.05$ ) and thus give no significance to the model. The existing study rejects the positive influence of both relatedness and association participation needs on life satisfaction, which opposed to the finding of Taormina and Gao (2013) where the level of satisfied social needs, a component of Maslow demand, is related to life satisfaction. In this circumstance, neither relatedness needs nor association participation have the positive relationship with life satisfaction, which means the inhabitants in penury do not consider to receive love, support, warmth and affection.

Different forms of surrounding interaction and social activities might not fill in the satisfaction level of poor people. In terms of life happiness, the research goes against the results of Nanthamongkolchai et al. (2009) showing that family relationship and perceived social environment are correlated with life happiness. The relationship of association involvement and happiness indicates that people are happy and willing to participate in official organizations rather than connect with their surrounding habitats such as neighbors. Therefore, relatedness needs and social participation do not have direct or indirect effect on human well-being excepting the correlation of association participation with happiness. Due to the indigent, local people have yet to seek social values for improving their life.

## 6. Implications

The study provides plentiful implications for the academic literature. First and foremost, it is the most antecedent that makes efforts to understand both the life satisfaction and life happiness of residents in Can Tho City, one of the city centers of the country. Those variables are the helpful measurements that assess the well-being or the living standard of people locating in the community. Secondly, the research model identifies the motivational factors leading people in penury to do for seeking their ideal life, which applied the ERG theory of Alderfer (1969) about human needs. Previous studies implemented such demand theories as Maslow (1943), Herzberg (1959), McClelland's theory (1995) and Alderfer (1969) for various fields which are in the workplace environment (Dinibutun, 2012), about cross-cultural subjects (Oishi et al., 2009), the elderly (Nanthamongkolchai et al., 2009) or among the sex workers, dump-dwellers, urban poor and rural peasants (Cox, 2012). Finally, the research also proves the dependent variables' correlation that is the positive effect of life satisfaction on happiness. As a result, the existing study draw a general picture of motivative elements leading positive attitudes of poor locals, which creates a concrete foundation for further research to deeply understand different motivational factors on well-being of human in the city and even investigate the issue in others places. In addition to theoretical implications, the current study also brings the practical suggestions for the development. Based on the research outcomes, the government can obtain a comprehensive understanding of the motivational drivers for life satisfaction and happiness and thus offer appropriate policies. Local authorities need to consider the physical and safety demands of the residents due to the greater impact of existing needs. Specifically, the authorities should bring locals aid, loan, job opportunities and even appeal to private organizations for public funds that helps the poor households adequately cover their everyday needs. They can also support residents in terms of labor and materials to consolidate their shelters. When it comes to salinity intrusion, local authority can think of crop transformation adapting to climate change as well as construction system for water supply. In addition, the authorities ought to realize the importance of growth needs as they have positively not only the direct but also indirect effect on human happiness. They can focus on educational policies that can stimulate the human development in terms of both psychological and physical aspects such as establishing schools, providing vocational training programs, employment encouragement and rewarding for good examples. Last but not least, relatedness involvements do not affect the desired values, which not only means the low living standard has yet to allow residents to seek for higher demands but also proves that these factors do not help them for poverty escape. Consequently, the government needs to implement the plans which impulse the roles of social involvement in eradicating poverty as well as encourage locals to volunteer to support others in order to raise the public welfare and higher living for the general society.

## 7. Conclusion

Understanding the emotions and values that human, especially those in penury, seek for having better life has played a significant role in literature of human demands despite the little interest before. Consequently, the current research has explored the motivational factors that lead to the living quality known as the satisfaction and happiness. The findings indicate that existence, growth and association participation needs have significant influences on poor locals while the demands of relatedness do not affect the well-being of human. In order to improve the living standards of local people, the government should clearly understand what residents really target to in life. Therefore, fundamental demands of survive and self-development should be carefully considered and supported by the local authority and private organizations. In virtue of the positive effect of life satisfaction on happiness, the human happiness can be generated by the indirect impacts of factors affecting satisfaction. Exploring the poor families' behaviors seem important and create potential for future research.

## 8. Limitations and future studies

The current study has remained limitations which should be considered for the psychological literature. First, it is still a novel sector in human research so there have been few previous studies, especially domestic articles, which can be used as the theoretical foundation for all the supposed hypotheses. Next, the model could explain only 46% of the life satisfaction and 29.3% of life happiness as just two factors are kept in the model until the end. Further research can supplement and suppose others psychological variables into the research model for the higher explanation of both life satisfaction and happiness. It should employ detailed items that can clearly measure and distinguish the constructs of satisfaction and happiness. Finally, the existing study was conducted in Can Tho, one of the numerous cities of Vietnam, so it may limit the general conclusion of picture to other communities. Potential studies can enlarge research scope as well as reconsider the removed variables to the research of other places of the whole country for the comprehensive theory of human demands.

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