

Factors affecting task special employee's motivation at the State Bank of Vietnam

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CHRONICLE

Article history:

Received: November 18, 2020

Received in revised format:

December 28 2020

Accepted: January 12, 2021

Available online:

January 12, 2021

Keywords:

Working motivation

Remuneration/ Compensation

State/ public sectors

*The State Bank of Vietnam's task
special employees*

ABSTRACT

In the context of Vietnam's socio-economy is gradually developing and actively participating in the industrial revolution 4.0, the State Bank of Vietnam (SBV) is making constant efforts to realize its mission and development orientation. Human resource development plays an increasingly important role at the State Bank, that always needs to be perfected and renovated. The effective and practical system of work performance evaluation, working motivation evaluation and remuneration will be the main basis for the State Bank's human resource development plan at present and in the coming years. This study aims to evaluate the factors affecting the SBV employee's motivation; with data collected from 454 SBV's employees around the Vietnam, the research applied the quantitative method, using the Exploratory factor analysis (EFA), regression model and the Structural Equation Model (SEM) to determine the factors affecting the SBV employee's motivation. Research results show that there are 5 factors (job characteristics, working environment, Reward policy, compensation and benefit, development opportunities) with different impacts on SBV employee's motivation. Based on the results, the study provides recommendations to enhance job performance results of SBV task special employees.

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1. Introduction

1.1. Working motivation

Motivation can be described as the direction and consistency of the behavior. Motivation concerns the reason why people choose a more specific sequence of activities than others and the reason why they continue with selected activities, often over a very long period of time, though faced with many difficult problems. Common important characteristics of motivation:

- Motivation is characteristic of an individual phenomenon: Each individual is unique and the motivating theories allow this uniqueness to be expressed in one way or another.
- Intentional motivation: Motivation is assumed to be under employee's control and behavior influenced by motivation.
- Motivation has many aspects: The two elements of the most important aspect include (i) what makes people act (awakening) and (ii) an individual's effort participate in desired behaviors (orientation or choice of behavior).
- The goal of motivational theories is to predict behaviors: Motivation itself is neither the act nor the performance; Motivation is related to the actions and forces inside, outside affecting the actions choice of humans.

Thus, working motivation can be understood as the degree to which an individual wants and chooses to engage in certain specific activities at work.

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1.2. Working motivation and remuneration of employees in the public sector

In the public sector, remuneration mechanisms and policies are clearly regulated and more rigid, however the private sector has a certain flexibility. However, many employees want to work for the public sector because they love safety at work, high degree of stability and low competition, whereas those who love the private sector explain that competition is their development motivation and they will receive a deserving reward. Thus, what is the difference in the motivating factor between these two groups specifically? The answer plays an important role in helping managers better understand the choices and promote employees' abilities in each work environment.

The differences between the motivating factors between the public and private sectors, affecting the motivating factors as well as the importance of each factor in each sector:

- Working motivation for employees in the public and private sectors are different, so it is necessary to have appropriate policies for each group of employees to increase working motivation and improve job performance.
- Works in the private sector have a higher degree of challenge, hardship and job responsibilities, so employees in this sector are more concerned with the level of benefits they receive. In the public sector, employees pay more attention to the working environment, promotion opportunities and total income received.

Employee remuneration is in order to create a motivation towards achieving the goals of the organization. Remuneration refers an enterprise's appreciation and perception for its employees' efforts, a process of compensating both physically and mentally for the employee's labor consumption. From this point of view, everything that an organization can bring in term of physical or spiritual value with the aim of bringing value to employees based on their labor is considered as remuneration. Human resource remuneration refers a process of two activities that are closely related to satisfying two basic groups of employee's needs: Take care of the material life and take care of the spiritual life. These two activities are limited to a specific framework - that is the goal of the organization. In reality, there are many different types of remuneration, however, remuneration policies can be classified into two types: Financial remuneration and Non-financial remuneration.

Financial remunerations include forms such as salary, bonus and other remunerations such as shuttle bus, monthly telephone allowance ... These remunerations need to be transparent, fair, competitive and reasonable according to their capacity and work ability, position, authority, responsibility ... Organizations often use a number of financial remunerations such as salary increases, bonuses based on work performance, insurance regimes, support programs for buying assets with great value ...

Non-financial remuneration shows spiritual encouragement and also shows respect for employees. Social development, spiritual factors play a very important role in life and work. This is the foundation to motivate employees to work more effectively. Organizations often use non-financial remuneration policies such as promotions, commendation programs, awarding certificates, travel programs, sightseeing ...

1.3. Working motivation and remuneration of employees in the State Bank of Vietnam (SBV)

The State Bank of Vietnam (SBV) is a ministerial agency of the Government- the Central Bank of the Socialist Republic of Vietnam (SBV belongs to Vietnam public sector). The SBV performs the state management of monetary and banking activities and foreign exchange; performs the issuance of money, acts as the bank of credit institutions and provides monetary services for the Government; and performs the state management of public services. The operations of the SBV aim at stabilizing the value of Vietnamese currency, ensuring safe and sound banking operations and the system of credit institutions, ensuring safety and efficiency of national payment system, and contributing to socio- economic development under the socialist orientation. The SBV has very important roles such as: Promote monetary stability and formulate monetary policies; Promote institutions' stability and supervise financial institutions; Provide banking facilities and recommend economic policies to the government; Provide banking facilities for the financial institutions; Manage the country's international reserves; Print and issue banknotes; Supervise all commercial banks' activities in Vietnam; Issue government bonds, organize bond auctions; Be in charge of other roles in monetary management and foreign exchange rates, etc.

SBV should have a team of highly qualified specialists. Attracting and developing human resources is an important element in the SBV's development strategy, in which the remuneration system must be effective and efficient to motivate employees to achieve high performance results.

2. Literature Review

2.1. International research

Needs hierarchy of Maslow (1943)

According to Maslow, humans have five need levels which are divided into low- and high-level needs. Although Maslow was not initially intended to apply the need pyramid to working situations, this theory is very common in creating labor motivations. Despite its criticism and doubts for its limitations, the theory still has an important influence on the managerial approach to motivating and designing organizations that meet the needs of individuals. This is a convenient basis for considering different needs and expectations of individuals, their need levels within the pyramid, and motivational factors that may apply to employees at different levels.

Table 1
Needs theory of Maslow its application

Needs	Expression
Physiological	Food, housing, rest
Safety	Safe working place, secured job, body safety
Belongingness and love	Being a member of any organization, enjoying exchanges, sharing, cooperation
Esteem	Being recognized achievements by rewards, positions, advancement opportunities
Self-actualization	Talent development, career prospects

Alderfer's ERG theory

A revised model of the demand hierarchy is presented with Alderfer. This theory compressed Maslow's five need levels into three basic need levels including existence needs, relatedness needs and growth needs (ERG theory).

- Existence needs – This need group relates to a person's physical well-being such as physiological needs, safety needs, ... These needs can be satisfied when an individual spends his/her money to pay for living expenses such as food, accommodation, clothing, etc.

- Relatedness needs - This need group focuses on needs for satisfactory relationships with others. Normally, you spend only half of your time working each day, the rest will be spent on communicating with other people to satisfy needs.

- Growth needs - These needs are often satisfied by personal progress and growth. Especially, success in work or career will be a factor that helps satisfy this need.

Two-factor theory of Frederick Herzberg (2008)

Herzberg points out two factor groups involved in creating motivations for employees. According to Herzberg, the "hygiene" factors group works to maintain a good mental state, prevent job dissatisfaction, but do not make them execute their jobs better. All employees want enterprises to have sound personnel policies, implement them fairly and consistently with working conditions guaranteed and receive a salary commensurate with the effort. They consider the satisfaction of those factors as a matter of course; on the contrary, they will become dissatisfied with their jobs and lead to reduced performance. The "motivator" factors group directly relates to the content of the work assumed. Without these factors, employees will be dissatisfied, lazy and inattentive at work, which is directly related to mental instability. However, if the organization only pays attention to one of the two factors groups, it will not achieve the expected result of motivating workers to work.

McClelland's theory of motivation – Achievement, affiliation, power

According to McClelland, each person has three basic needs: The Need for Achievement is the individual's desire to achieve or exceed the set individual goals, or reach achievements and win new success in work and life; the Need for Affiliation is the desire to establish a friendly and harmonious social relationship with others; the Need for Power is the desire to be able to make impact on and control others, outdo colleagues, influence on circumstances and change circumstances. Also, according to McClelland, these needs are always associated with each individual and are enhanced as the work experience increases. People with stressful jobs further emphasis on the Need for Achievement. Others like to control those around them, that is, to appreciate power. To find that aspect, he recommends that managers use their own thematic test sheets.

Expectancy theory of Victor Vroom (1964)

The theory explains what is the expectancy of employees, which motivates them to put all their efforts into completing their job. For explanation, Vroom pointed out three problems: the employee believes that effort will result in different outcomes; the employee believes that different outcomes will produce different rewards; different rewards are commensurate with different outcomes.

Vroom put forward a formula to determine the personal motivation as follows:

$$M = E \times I \times V$$

where:

M: Work motivation

E: Expectancy (the probability that an individual assigns an attempt to work with a certain level of performance. E = 0 when the individual thinks he/she cannot achieve a performance level, E = 1 when he/she absolutely makes sure that the certain performance level can be achieved.

I: Instrumentalities (the probability that an individual assigns an achievable level of work performance to produce corresponding outcomes. I can range from 1 (with absolute certainty in the relationship between achievement and reward) to 0 (no chance of getting rewards when producing outcomes).

V: Valence (the degree to which a person values the outcome. Valence can range from -1 (absolutely-unexpected outcome) to +1 (absolutely-expected outcome).

To sum up, in order to motivate employees, managers need to learn about the individual's thinking process, thereby positively impacting them through specific actions. That is, it is necessary to maximize E, I, V by making employees understand the direct

relationship between effort and achievement, achievement with outcome and reward, and those rewards should be attractive to themselves.

Expectancy theory of Porter and Lawler (1953)

The overall motivation model was set forth by Lyman and Porter and Edward E. Lawler.

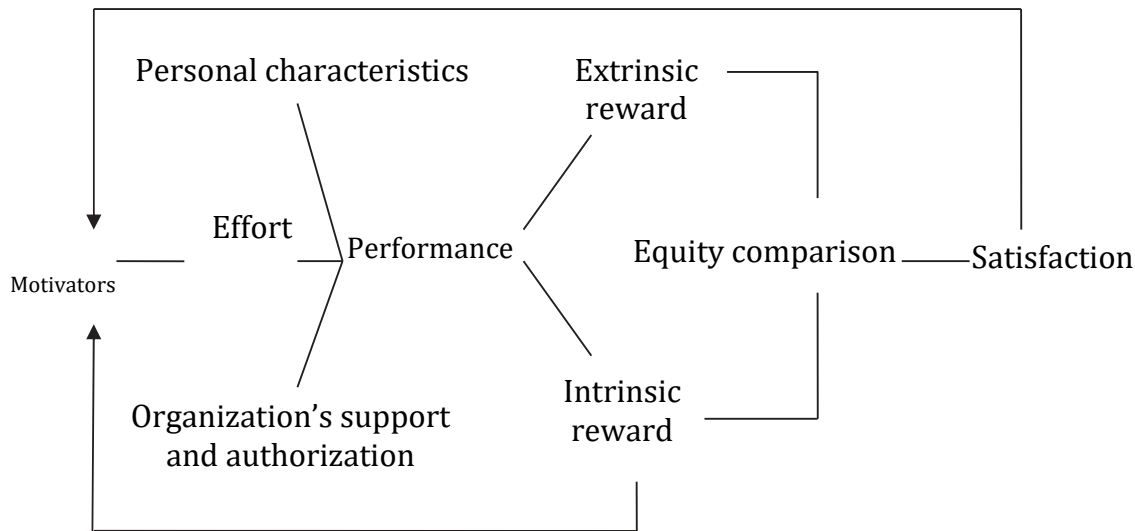


Fig. 1. Overall motivation model

(Adams, 1965; Alderfer, 1969; Azash, Kumar, & Safare, 2011; Bewerunge & Rosen, 2012; Buelens & Van den Broeck, 2007; Fredericksen, Witt, Patton, & Lovrich, 2015; Gilmeanu, 2015; Güngör, 2011; Hasnain, Manning, & Pierskalla, 2012; Hersey, Blanchard, & Johnson, 2007; Jurkiewicz, Massey Jr, & Brown, 1998; Kim, 2000; Locke, 1968; Maslow, 2000; McClelland & Burnham, 2008; McLeod, 2007; Porter, Bigley, & Steers, 2003; Steers, 1981; Suarez, 2009; Subramanian & Kruthika, 2012; U.S. Department of Labor, 2015; Vietnam, 2015; V. Vroom et al., 2005; V. H. Vroom, 1964; Wood, Chapman, Fromholtz, Wallace, & Zeffane, 2004)

According to the model of Porter and Lawler, there are three groups of factors that affect the performance of employees: personal characteristics (ability to perform the job), effort creating willingness to perform the job), organization’s support and authorization creating opportunities to perform the job. If one of the three factors above is not guaranteed, the performance of the individual does not meet expectations. Moreover, motivated individuals will create effort and the appreciation of rewards for outcomes is the basis of creating labor satisfaction, helping employees to have motivation to work. Therefore, the factors of the overall model are the factors to be considered in order to apply to motivating employees.

Equity theory of Stacy Adams (1965)

This theory puts forward the concept that humans desire to be “treated fairly”. People often desire to receive benefits (wages, welfare, stability and safety at work, advancement) commensurate with their contributions or effort (time, effort, education, experience) they spend. If an individual finds an organization pays them below what they deserve, they will immediately reduce their work effort to establish a new “equity”. On the contrary, if they find that they receive a high pay, they will try to work harder. In recognizing the treatment, employees tend to compare their contributions and the benefits they receive with the contributions and benefits of others.

$$\frac{\text{Personal benefits}}{\text{Individual's contributions}} \quad >=< \quad \frac{\text{Benefits of others}}{\text{Contributions of others}}$$

If that ratio is greater than or less than that of others, it is possible to influence an individual's labor behavior to re-determine the balance such as: change in job inputs such as reducing work effort; changing the rewards received, such as demanding salary increases; leaving the current status like quitting a job; changing the level of comparison with other colleagues; distorting comparisons because they may consider that injustice may be temporary and change in the future; influencing changes in inputs or outputs of the person they compared with, like requiring additional tasks for colleagues. Equity is established when individuals feel that their benefit/contribution ratio is equal to that of others. The comparison is directly related to the manager’s distribution of interests in an employee group that has an impact on individual’s satisfaction and work behavior.

Goal setting theory of Edwin Locke

When a person has clear goals, they will help him/her focus their efforts on a specific task. Proper goal setting requires the commitment and effort of the manager, and that process undergoes three steps:

First of all, determining appropriate goals is of great significance to creating work expectations for employees. The manager should show employees the relationship between outcomes and attractive rewards and should always keep in mind that the determination of reward levels must ensure equity among employees in the organization. Furthermore, the manager should play an active role in managing the process of motivation for employees such as creating a favorable environment and ensuring the job suitability for each employee, evaluating the strengths and weaknesses of each individual to give orientations to them in the most appropriate way. Next, reward payments should ensure the timeliness for the employee’s good achievements in order to heighten the organization’s appreciation of achievements to employees through establishing and implementing the reasonable and fair job performance assessment system and employee remuneration system. Finally, the manager should know that management efforts are useless if he/she does not have the cooperation and support of the employee team. Therefore, it is necessary to encourage employees to participate in the process of establishing the goals of the organization and the job they undertake. That increases the individual’s commitment to performing assigned tasks.

Study of Buelens and Van den Broeck (2007) on the differences in work motivation between the public and private sectors in Belgium

The study surveyed 3314 employees in the private sector and 409 employees in the public sector. The study tested 6 hypotheses that focused on comparing the effects of benefits received, responsibilities and personal development opportunities, working environment, work hardship, position and rank, and level of conflict between work and family between the two sectors. The findings of the study were as follows:

Table 2

Differences in motivators between the public and private sectors in the study of Buelens and Broeck (2007)

No.	Motivators	Public sector	Private sector
1	Benefits received	--	++
2	Use of intrinsic motivators (job responsibility, self-growth)	++	--
3	Working environment support	++	--
4	Number of working hours and effort	--	++
5	Job position and rank	==	==
6	Conflict between work and family	--	++

The study results show that, in the public sector, the benefits received are often less motivated than the private sector. We also see that in Vietnam, in the public sector, the salary and bonus policy is always bound by the state’s salary policy and is often lower than the equivalent job position in the private sector.

Azash et al. (2011) analyses differences in motivators in the public and private sectors

Based on the model of Harold Koontz and Herzberg, and with information surveyed from 196 banking employees, the survey results are shown in the following Table 3.

Table 3

Differences in motivators between the public and private sectors in the study of Azash et al. (2011)

No.	Motivators	Order in the public sector	Order in the private sector	No.	Motivators	Order in the public sector	Order in the private sector
1	Achievements	1	1	6	Relationship among individuals	3	2
2	Organization’s appreciation	9	9	7	Manager	10	3
3	Work independency	7	6	8	Policy	5	4
4	Responsibility	8	8	9	Working condition	4	7
5	Advancement	2	6	10	Personal life	6	5

The said study results show the differences among motivators between the public and private sectors. This is explained by the differences in the working environment, work nature, and mechanisms and policies. All of these create differences between the two sectors, thereby affecting motivators as well as the level of importance of each motivator in each sector. The results of this study help managers better understand the motivation of employees between the two sectors, thereby having appropriate incentive policies to improve efficiency and reasonable recruitment policies. Vietnam is a country with the economy in transition, in which the public sector still accounts for a large proportion. Systematizing the theories of labor motivation mentioned above, the study model is used as the basis for proposing the model.

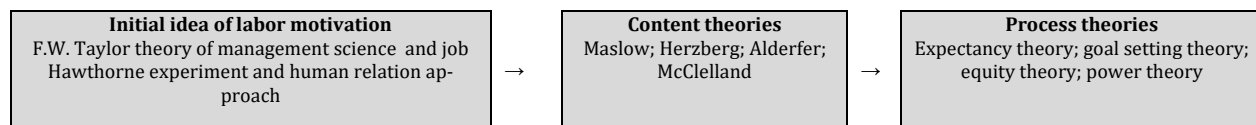


Fig. 2. Systematizing the theories of labor motivation

(2) Study of Nguyen Ngoc Lan Vy and Tran Kim Dung (2011), The employee motivation scale. The study used the CFA confirmatory factor analysis method with observations of 445 cadres and employees working in Ho Chi Minh City. The study results show that the employee motivation scale consists of 4 components: (1) job suitability, (2) reasonable remuneration policies, (3) good relationship at work, and (4) company brand. Among them, the reasonable remuneration policies are an important component in the employee motivation scale. This study is considered to be the fundamental study that has inspired further studies on

work motivation, because the previous motivation studies seem to be scarce (Dung & Vy, 2016).

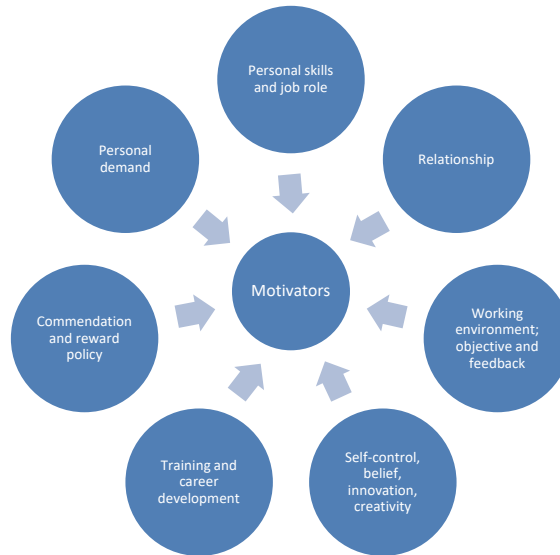


Fig. 3. Factors affecting labor motivation

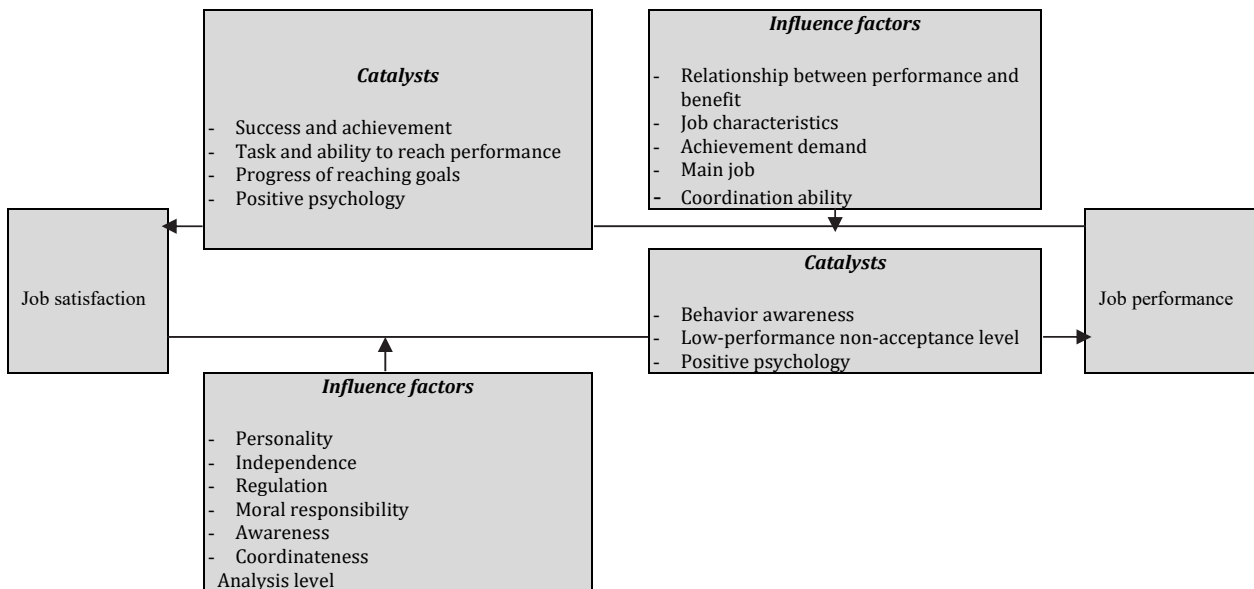


Fig. 4. Relationship between job satisfaction and job performance

2.3. Model of assessment of factors affecting employee motivation in the public sector and SBV

The theoretical model presented below is based on domestic and foreign research references as well as the characteristics of State agencies: Combined with the research model of Abraham (Harold) Maslow and the expectations theory of Lyman W. Porter and Edward E. Lawler, along with the synthesis of domestic and foreign research results, the group of authors proposes a research model associated with actual conditions in Vietnam (Maslow, 2000; Vroom et al., 2005). The research model consists of two parts: 1) Research on the motivating factors associated with specific activities; 2) Research on the effect of motivation on employee productivity.

3. Research methods

3.1. Measurement

Work motivation, working performance, personal need: Work motivation is the degree of motivation, consistency and persistence in the working process to perform the job to meet the organization’s work goals. The scale of Work motivation (DL) is inherited from scales of and Wood et al.(2004) including 06 observed variables. The scale of *working performance* (HQ) including 04 observed variables. The scale of *personal need* (NC) including 03 observed variables.

Job characteristic variable: Job scores are shown through the following five aspects: importance of the job that the cadre is performing, degree of proactiveness and flexibility in the job, level of interest of the job (The job with many challenges

stimulates creativity and brings into play skills) which are proposed in the model of Hackman and Oldham (1980) and were applied in the studies of Locke (1968). The scale of *Job characteristics* (CV) including 11 observed variables.

Working condition variable: Working conditions are understood as the sum of natural, social, economic and technical factors expressed through labor tools and means, labor objects, technological process, working environment and their arrangement in space and time, their interaction in relationship with employees at the workplace, creating a certain condition for people during the employment (Heizberg, 1958). Characteristics of conditions are also mentioned in the study of Hanh (2011) and Lan (2016). The scale of *Working condition* (DK) including 03 observed variables.

Working relationship variable: According to Federic Heizberg, the relationship can be classified into three types: Relationship with the superiors, relationship with the inferiors and relationship with colleagues. The scale of *Working relationship* (QH) including 04 observed variables.

Reward policy variable: Bonus is understood as an additional remuneration for the salary to pay for new factors arising during the employment (increased labor productivity, raw material, initiative...). Bonus can be divided into financial and non-financial rewards. Hanh (2011) defined the components of the Reward policy when studying motivators, including: reward level, link between performance and reward; timely reward for right people, clarity and transparency of the Reward policy. In combination with the equity theory of J. Stacy Adam (1965), the proposed observation variables for *reward* (KT) include 08 observed variables (Adams, 1965).

Training and promotion variable: Training refers to learning activities conducted in defined periods of time to help employees perform their current job better. The criteria to assess training in relationship with work motivation include opportunities to participate in training courses; usefulness in contents and period of training courses. Advancement means changing the status of the job position to a higher level (Heizberg); advancement plays an important role in creating motivation for employees. Advancement opportunities and making promotion decisions based on the performance and personal achievements are the two criteria selected to measure the level of influence of the advancement factor on work motivation of the cadres of the State Bank of Vietnam. The scale of *Training and promotion* (DT) including 06 observed variables.

Achievement appreciation-self-affirmation variable: According to Heizberg, appreciation of achievements is the appreciation of employees' work performance and results. The appreciation person mentioned here may be superiors, other managers in the business, customers, colleagues; reputable colleagues or the public in general. The proofs of appreciation are commendation, company's appreciation or non-appreciation of contributed ideas; blame on and criticism of mistakes in performing the job; appreciation of work performance. The scale of *Achievement appreciation-self-affirmation* (GN) including 09 observed variables.

Salary variable: Salary means all the amounts the employer pays for the employee based on the employment relationship between the two parties. Accordingly, the salary includes salary, allowance, benefits and services. When studying the relationship between salary and labor motivators, Heizberg defined salary rate, expected salary increases, comparison between received salary received and expected salary, and received salary compared with people doing the same job. The scale of *Salary* (L) including 05 observed variables.

3.2. Data Collection

Questionnaires to departments, agencies and branches, specifically as follows:

Table 4
Survey list

No.	Name of the unit of the State Bank	Number of questionnaires	Notes
1.	Offices and Departments of the State Bank	10 questionnaires / unit	14 units
2.	Department of Technology, Administration, Department of Money Laundering Prevention	20 questionnaires / unit	03 units
3.	Transaction Center of the State Bank	20 questionnaires	01 unit
4.	Banking inspection and supervision agency	30 questionnaires	01 unit
5.	Branches of centrally-affiliated cities: Hanoi, Ho Chi Minh, Hai Phong, Da Nang, Can Tho.	30 questionnaires / province	05 cities
6.	North Branch: Phu Tho, Yen Bai and Thai Nguyen; Quang Ninh, Bac Ninh, Lang Son; Nam Dinh, Ha Nam, Thanh Hoa.	20 questionnaires / province	09 provinces
7.	Central Branch: Quang Binh, Thua Thien-Hue, Quang Nam, Phu Yen, Binh Dinh, Khanh Hoa, Dak Lak.	20 questionnaires / province	07 provinces
8.	Southern branch: Lam Dong, Binh Thuan, Binh Duong, Ba Ria-Vung Tau, Dong Nai, Ben Tre, Kien Giang.	20 questionnaires / province	07 provinces
	Total questionnaires sent:	660 questionnaires	
	Total number of questionnaires collected:	534 questionnaires	
	Total number of valid questionnaires for processing:	454 questionnaires	

Source: Research team.

3.3. Methodology

After having the data, SPSS 20 & AMOS 20 were used to test the hypothesized relationships in the research model as well as evaluate the reliability of measurement scale based on Cronbach Alpha reliability coefficients, EFA and CFA, SEM. Based on data and SPSS data processing software, it shows: The average value of the scales with value > 3 (average threshold of 5

Point Likert Scale) with standard error <0.05; Standard deviation of the scales are <1.00; Tilt and sharpness are within permissible limits. Therefore, the survey data and results meet the conditions to perform further quantitative analysis.

4. Results

Assessment of scale reliability: Performing the reliability test of scales with the reliability coefficient Cronbach Alpha obtained all observed variables are correlated with the total variable greater than 0.3 and Cronbach Alpha coefficient of all factors is greater than 0.6, so the scales of the components *NC, CV, DK, QH, KT, DT, GN, L, HQ, DL* are accepted and included in the next factor analysis.

Exploratory Factor Analysis (EFA): The exploratory factor analysis (EFA) is used to reassess the degree of convergence of observed variables by components.

At levels of Eigenvalues being greater than 1 and with the factor extraction method used as Principal Axis Factoring (PAF) with Varimax perpendicular rotation method, the factor analysis has extracted 12 factors from 44 observation variables and the extraction variance (greater than 50%) is satisfactory.

Table 5
Rotated Component Matrix^a

	Component					
	1	2	3	4	5	6
KT2	.773					
KT5	.758					
KT4	.704					
KT1	.673					
KT8	.649					
KT6	.636					
KT7	.554					
CV4		.718				
CV3		.672				
CV2		.641				
NC2		.640				
NC3		.601				
CV1		.596				
CV5		.531				
DK3			.775			
DK2			.771			
DK1			.736			
CV8			.649			
CV6			.631			
CV7			.589			
CV11			.550			
CV9			.500			
L1				.797		
L2				.745		
L4				.740		
L3				.740		
L5				.580		
NC1				.561		
DT6					.734	
GN1					.716	
DT4					.663	
DT5					.658	

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

The EFA KMO result is 0.942, the extraction variance is 67.948%, the factor load coefficient of observation variables is greater than 0.5, five factor groups with 32 scales affecting *work motivation* are obtained.

Table 6
EFA result

Factor	Factor name	Observation variable
KT	Reward policy	KT1,KT2,KT4,KT5,KT6,KT7,KT8
CV	Job characteristics	CV1, CV2, CV3, CV4, CV5, NC2, NC3
MT	Working environment	DK1, DK2, DK3, CV6, CV7, CV8, CV9, CV11
TN	Income	L1, L2, L3, L4, L5, NC1
PT	Development opportunities	DT4, DT5, DT6, GN1

Structural Equation Model (SEM) analysis

In the study, the Structural Equation Model (SEM) analysis is conducted with the following results:

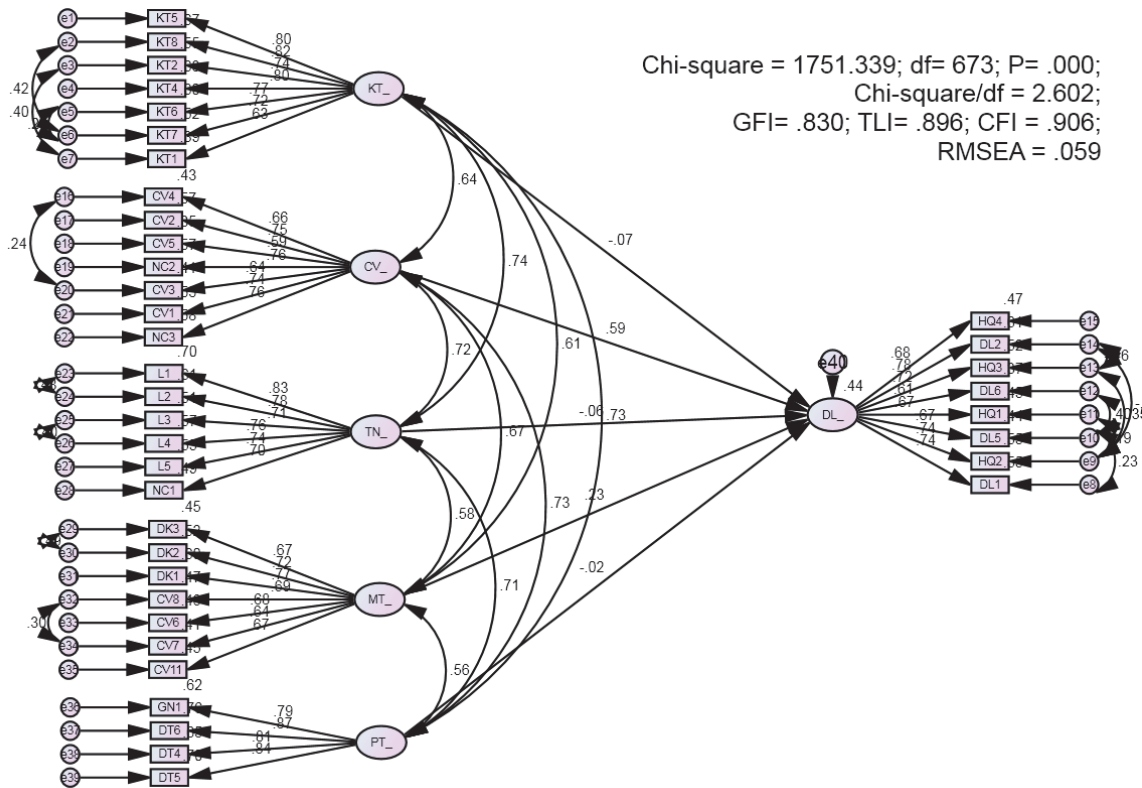


Table 7
 Standardized regression weights (Group number 1 - Default model)

			Estimate
DL_	←	KT_	-.042
DL_	←	CV_	.593
DL_	←	TN_	-.032
DL_	←	MT_	.208
DL_	←	PT_	-.028

Source: SEM analysis results

Regression model by the SEM equation:

$$DL = 0.593 * CV + 0.208 * MT - 0.42 * KT - 0.28 * PT - 0.32 * TN$$

where:

DL: Work motivation

CV: Job characteristics

MT: Working environment

PT: Development opportunities

TN: Salary and income

KT: Reward

The results of the Structural Equation Model show that: The Structural Equation Model of the study can be considered as consistent with the market data because of the followings: Chi-square/df=2.602 (<3); TLI=0.896; CFI=0.906; GFI=0.830 (>0.8); RMSEA=0.059 (<0.08). The data analysis results by the structural equation show that 05 factors “Reward policy; job characteristics; working environment; income; development opportunities” affect the work motivation and have a statistical significance. Among them, job characteristics and working environment have direct impacts on work motivation; income, development opportunities and Reward policy have reverse impacts on work motivation. “Reward policy; job characteristics;

working environment; income; development opportunities” are able to explain 64% of the variation of work motivation.

Table 8

The weights are not standardized SEM

			Estimate	S.E.	C.R.	P	Label
KT_	↔	CV_	.229	.026	8.696	***	
KT_	↔	MT_	.286	.034	8.481	***	
KT_	↔	PT_	.336	.033	10.129	***	
CV_	↔	TN_	.242	.026	9.311	***	
CV_	↔	MT_	.226	.027	8.368	***	
CV_	↔	PT_	.240	.026	9.319	***	
TN_	↔	MT_	.254	.031	8.253	***	
TN_	↔	PT_	.308	.030	10.102	***	
MT_	↔	PT_	.236	.029	8.028	***	
KT_	↔	TN_	.356	.034	10.412	***	

Source: SEM analysis results

5. Conclusion and recommendations

Survey data analysis results clearly reflect the need for a systematic and rational approach (financial and non-financial tools in the short and long term) when affecting employee motivation at the State Bank. Therefore, the research team gives recommendations to increase employee motivation at the State Bank as follows:

Firstly, The State Bank of Vietnam needs to immediately perform the grouping of jobs in the list of 145 job positions (Decision No. 1690 / QD-BNV dated June 28, 2016 of the Minister of Home Affairs, 93 job positions according to Decision No. 361 / QD-NHNN dated March 19, 2015 by the Governor of the State Bank). Determine about 03 groups of jobs as the basis for the evaluation and implementation of the appropriate employee remuneration regimes, especially the out-of-rank-grade regimes according to the current regulations of the State.

Secondly, The State Bank of Vietnam needs to organize the performance evaluation, serving as a basis for the classification and implementation of salary payment and employee remuneration regimes according to work performance. In this content, the State Bank should pay attention to perfect the conditions for work performance evaluation (including: Long-term, mid-term and short-term development strategies / plans; Mechanism of periodic recruitment examination and rotation of staff in all positions managed by the State Bank; Detailed job description, capacity framework of each job position; System of internal processes and information technology) along with the assignment of quantitative and qualitative targets for job positions.

Thirdly, functional units under the State Bank need to conduct a comprehensive and periodic review (every 3-5 years) on working motivation and remuneration regime for employees to be able to come up with a system of financial and non-financial remuneration regimes with the conditions to receive these regimes openly and transparently in departments, agencies and branches in accordance with the requirements of Decision No. 05/2014 / QD-TTg dated January 15, 2014 of the Prime Minister on the publicity of regimes and policies related to means, working conditions, and remuneration regimes of the Party and State for officials, civil servants and public employees.

Fourthly, implementing the financial remuneration regime according to the basic salary structure, the additional salary (within 0.8 times according to the Decision No. 07/2013 / QD-TTg dated January 24, 2013 of the Prime Minister) whereby "The Governor of the State Bank of Vietnam decides the distribution of income according to the performance and quality of work completion of officials, civil servants, public employees and employees on the principle of fairness, reasonableness, linking income with work performance "and should not make remuneration "at the same level" officials are entitled to 0.8 more times. These payments should be made public to all officials and civil servants of the State Bank/ In addition, the State Bank also needs to have specific recommendations to further expand the "the budget allocation" in terms of scope and level of allocation (Article 14. Regarding the budget allocation mechanism for the State Bank under Decision No. 07/2013 / QD-TTg dated January 24, 2013 of the Prime Minister)

Fifthly, the State Bank should pay more attention to the non-financial remuneration system for officials and civil servants, in which priority should be given to a collaborative and highly professional working environment, with strong application of information technology based on the applied ISO system (BPM- Business process model system to model and standardize work processes).

Sixthly, functional units of the State Bank need to actively follow the Scheme on *salary policy reform for officials, civil servants, public employees, armed forces and employees in enterprises* according to the policy of *Conclusion No. 63-KL / TW dated May 27, 2013 the 11th Conference of Party Central Committee at the 7th season on Reforming salary policy, social insurance, preferential benefits for people with meritorious services and reform orientation to 2020*. Besides, it is necessary to do well the "Continue promoting administrative reform, reduce the focal point and reduce the staff in the administrative and non-business sectors", "Solutions to create sources for implementation of salary reform".

In the process of becoming a modern central bank, the State Bank needs to well implement the performance evaluation system, an effective employee remuneration system to develop human resources and professionalism to effectively perform functions and duties in accordance with the law. In the scope of this article, the authors wish to share their ideas about main solutions

to contribute to the improvement of the employee remuneration system in accordance with the State Bank's professional activities. The authors are looking forward to receiving comments from relevant individuals and organizations.

Acknowledgment

This research is funded by the State Bank of Vietnam under grant number DTNH.28.2016. Sincere thanks to my colleagues, SBV's managers and staffs for their enthusiastic participation in the research process.

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