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**SOLUTIONS TO IMPROVE EMPLOYEE MOTIVATION IN
YF COMPANY**

Thesis

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ABSTRACT

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<p>Human is the prior key to decide the success in any company. Nowadays, the competition in labor market is a challenging in every company. Enterprises have now realized employees as a valuable asset and vital element to decide the success of a company in long-term. The success of a company is based on the result of each employee in that company, consequently, the hard work and passion of an employee will decide whether a company is operating well. That is the reason why motivation of employees is very important task to any company</p> <p>The thesis aims to provide a general view of human resources element in Vietnam market. Strength and weakness will be analyzed through the case of YF company, a famous kids' clothes company in Ho Chi Minh city, to find out ways to improve motivation of employees in YF company.</p> <p>A questionnaire and interview combined with traditional SWOT analysis were conducted to give recommendations to improve motivation in YF company.</p>		
Key words Competitive advantage, Human resources, small to medium sized enterprises, SWOT analysis, YF company, Vietnam		

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1 INTRODUCTION

We are living in a world in which every aspect has a very close relationship to each other. The competition among countries is becoming more severe. The competition is no longer only limited inside the border or the area of a country, but competition also come from all over the world. Beside technology and the operating plan, people nowadays realized the important role of employees as valuable assets of companies. Consequently, improving the productivity of staff and cementing talents are vital elements to decide whether companies operate successfully in the future.

Together with the needs to improve the productivity of Vietnamese labor in particular and the whole world in general, this thesis aims to analyze the main factors affecting to the productivity of employees. A specific case study, YF Company, will also be provided to analyze the real environment and approach the difficulties of Vietnamese employees in managing the human resources.

1.1 Purpose and Objective of the Study

Motivations have now bigger roles inside companies in different industries. Both employers and employees need to be satisfied in their working environment, rewards or relationships among colleagues to be motivated in their works. As the quality of people is increasing day by day, motivation is much more needed now. The productivity of Vietnamese people in general and YF Company in particular are still extremely low, consequently, the need of a motivation policy is even more important. Among some Asian countries, labor productivity of Vietnamese people is very low with an index about 2.4 while others giant apparel countries as China and Indonesia in turn have an index of 6.9 and 5.2. Two neighbors of Vietnam, Thailand and Malaysia, have an index much higher than Vietnam with more than 7.5 (UNIDO China statistical yearbook, 2015). A poor productivity index is not only due to limited manufacturing equipment, but also a poor productivity of employees.

This thesis aims to analyze characteristics and the adoption ability of YF Company in improving the motivation of employees. The human resources situation in YF Company will be analyzed to find the strengths and weakness in controlling productivity of employees. The thesis is structured as following: chapter 2 provides a general view of motivation, and the definition of motivation and some theory related to motivation and productivity of employees will be pointed out. Chapter 3 mainly focuses on analyzing current situation of YF Company and a general view of Vietnam economy in general and Ho Chi Minh city, main's YF market, in particular. Chapter 4 discusses key factors of the human resources and motivation through the result of the research. Lastly, Chapter 5 would be the recommendation and conclusion.

1.2 Research Method

The research was aimed to gather both quantitative and qualitative data to get diverse information. Consequently one interview was also made with collect qualitative information. The interview was made with the human resources manager of YF Company. The aim of the interview was to find out the employees situation in YF Company and get a specific idea about challenges and opportunities of human resources in YF Company.

The research method comprises quite large a amount of information, including one questionnaire and one interview. The questionnaire was used as a main tool to gather data for this thesis, and it include 2 separate parts, part 1 aiming to get general information of employees and part 2 concentrating on the core of the study. Primary research was conducted in this thesis because of the convenience and efficiency it has. The questions were analyzed in order, but the more important the questions are, the more careful they should be analyzed. The questions were marked in order and the requirements for each question were also listed clearly. The analyzing process would be clearly to provide the readers a general aspect of the motivation through the case study.

In summary, this thesis mainly focuses to answer three questions:

1. Are the employees in YF Company motivated?
2. Which factors affect to the motivation of YF Company's employees?

3. How to improve motivation of employees in YF Company?

2 MOTIVATION CONCEPTS AND RELEVANTS THEORIES

This chapter will go through and introduce the concepts in this case study: The motivation theories and related theories to enhance employees and employers inside a company. These theories formed the cornerstones of the human management act, and they still hold vital positions among companies in all over the world. This study will concentrate on elements influencing on humans motivations.

2.1 What Is Motivation?

Motivation can be divided into primary and secondary motivation. Primary motives are unlearned and common to both humans and animals, while secondary motives can differ from animals to animals and human to human. Primary motives could be expressed through the most basic motivations such as hunger, thirst, sex or the avoidance of pain, aggression and fear. The secondary motives, on the other hand, are typically studied through the human, including the achievement, power motivation, and some other specialized motives (Encyclopædia Britannica, 2015).

Motivation nowadays acts on important roles among different factors, especially on economy. Both employers and employees need to be satisfied and motivated in their jobs to reach the targets and aims of enterprises. People are right in that a satisfied employee is also a motivated employee meaning higher productivity. YF Company is living in an industrialized and modern era as a slow company will lag behind and might be totally eliminated. Searching for good employees is demanding but keeping them with the company is much harder as a lot of companies with a higher reputation, higher rewards are ready to attract the employees from the competitors at any price. Consequently, motivation does not only help to promote production of employees but also to keep them stay away from the attraction of the opponents.

Motivation theory is an extremely board theory being investigated for decades, as motivation not only affect to the economy, but also the whole social world. During recent decades, there is a lot of written articles and research on how motivation should be conducted. Authors such

as Maslow, Hertzberg or Baron put enormous effort to motivation in order to adapt motivation theories into practice.

2.2 Theories of Motivation

Motivation, in our daily language, is the stimulation or the dream of people making them to spend their energy, their strength to their work. Although there is a large numbers of motivational definition, nobody doubts that motivation has a significant meaning to the development of mankind, especially in the economy. Each person has his or her own definitions, according to Carol and Judith, they defined the intrinsic of motivation as follow:

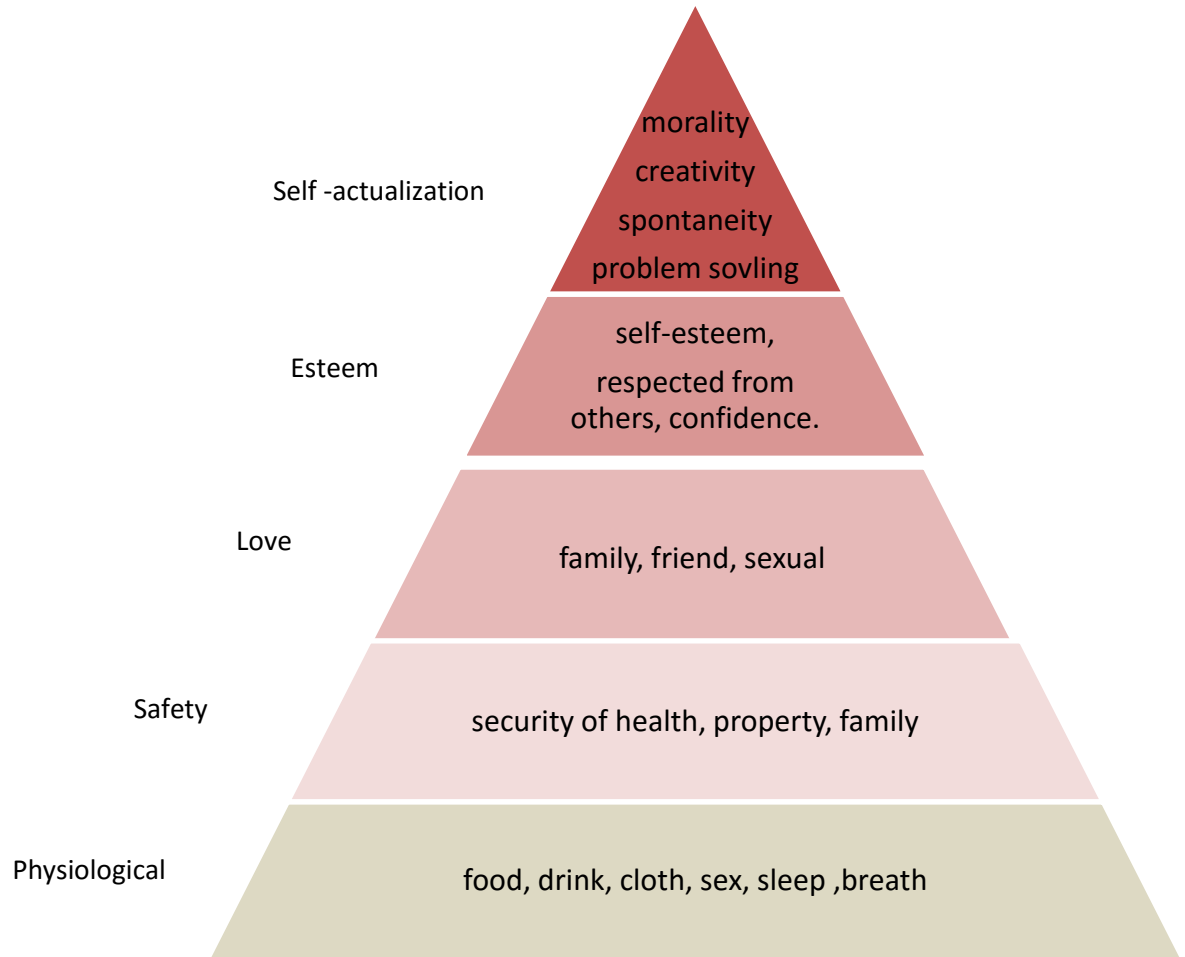
The intrinsic motivation is entailed when people behave for the satisfaction inherent in the behavior itself. The satisfactions elements typically concern to the positive feelings of being effective and being origin of behavior, and they often result from engaging in novel and challenging activities (Carol and Judith, 2000, 215)

On the other hand, Barron defined the motivation in direct way:

“Motivation is the process of stimulation an individual to take action that will accomplish a desired goal.” (Barron, 2007, 236)

2.2.1 Maslow’s Hierarchy of Needs Theory

Maslow’s theory of the Hierarchy of Needs defined that motivation of a person rises from the desire to fulfill his or her needs. Maslow’s theory divides the need of a person into five separate levels. The start rises from the bottom of the pyramid and is motivated to satisfy each level in the ascending order to work our way to the top of the pyramid, and those levels (needs) are categorized into two main groups with five difference sections (Pardee, 1990, 5) which are explained below



GRAPH 2. Maslow's Hierarchy of Needs

The lowest level consist the most basic physiological needs, these are vital elements for a person to exist and to have a good physical condition. Food, drink, clothes, breathing are paradigms for physiological. The second priority of a person is safety. Safety includes security of health, property and family. Moreover, the third level of Maslow's theory is love needs and belonging, if needs are unsatisfied a person will hunger for relationships with people in general and for a place in the group or family and strive with great intensity to achieve this

goal (Maslow, 2009). The fourth stage is esteem which is the wish for achievement, strength, mastery and competence, adequacy, independence and freedom, confidence in the face of the world, and the desire for reputation or prestige, fame and glory, status, recognition, dominance, importance, attention, dignity or appreciation. The last stage is the self-actualization needs, the highest level of people, which differ among people as Victor Hugo wanted to change Paris into his name or George Washington, who demanded to be called the “Greatest President of the United States” (Carnegie, 2006, 175). The desire to be important made many people to a house that is too big for their uses. From the Maslow’s Hierarchy of Needs, motives of employees could be defined clearly, and we can understand clearly what are the most basic and the higher demand of employees.

2.2.3 McGregor’s Theory

Douglas McGregor, a scholar coming from MIT Sloan School of Management, pointed out two separate different views to describe human behavior, including theory X and theory Y. According to his research, there are two opposing sets, X and Y, sets of how employees are motivated for two management styles. While theory X focuses on setting up the strict or penalties to ensure the productivity of employees, theory Y, on the other hand, concentrates on motivating the employees to ensure their work.

Theory X believes that employees whenever dislike their work and will try to escape whenever possible. If people are lazy and dislike their work, they must be warned or get some suitable consequence to achieve the target. On the other hand, theory Y assumes that whenever employees feel that their works are normal and relaxing, they will totally dedicate and be responsible for the company target (McGregor, 1960, 215)

2.2.4 Herzberg’s Motivational Theory

The motivational theory of Fredrick is often known as the two-factor theory. The two-factor theory divided motivation in an organization into hygiene factor, factors that come from

external sources and have direct effect to the motivation, and motivation factor, factors known as intrinsic motivations (Miner, 2005, 61).

TABLE1. Herzberg two-factor example

Hygiene factors	Motivation factors
Salary and benefits	Recognition from company
Job security	Achievement
Working conditions	Job interested
Working relationship	Personal development and opportunity to grow
Company policy	Promotion opportunity
Managers quality	Challenging environment

According to Herzberg, hygiene factors are elements causing dissatisfaction inside a company and need to be eliminated to create a positive atmosphere inside a company. Following the hygiene factors there are motivation factors such as recognition, job interest or the promotion opportunity, and these elements need to be improved in order to increase the performance of employees. The high level of hygiene and motivation factors is the ideal situation in which the employees mostly motivated with a few complaints.

The study of Herzberg has a highly reality value as certain characteristic containing a strong relation to job satisfaction and dissatisfaction. Yet the hygiene and motivation factors are not totally opposing as the removal of all hygiene factors will not improve the satisfaction of the employees. The managers cannot simply remove the hygiene factors and improve the motivation factors to satisfy the employees as the management is an art but not an equation as.

2.2.4 Goal Setting Theory

Studied and achieved by Locke in 1960s, the goal setting theory indicates that people would perform better if they know exactly their certain goals when they gain an achievement (Locke

& Latham, 2002, 324). The goals remind employees the task needed to be done to achieve rewards. This theory set up a direct link between the performance of the task and the achievement of employees.

In business, goal setting has a special meaning when a company has a large numbers of employees, and a manager may not keep track and drive motivations from employees' work frequently. In these case, goals setting is a helpful tool for managers because goals itself could be a directional tools for employees to know which are the priority tasks.

In conclusion, the key steps of the goal setting theory can be appeared as: (Miner, 98)

1. Setting the objectives
2. Working toward the goals
3. Receiving performance and feedback

Goal setting theory has a special meaning to YF Company as the size of company is increasing significantly, and managers do not have enough time to keep tracking on activities of each employee or each retail store. Consequently, setting goal and assessing the performance are very convenient ways to improve the productivity and motivation of employees in which the employees can know what exactly is the priority of the work, what is the target of the company and what will they achieve if they perform well.

3 VIETNAM MARKET AND YF COMPANY

This chapter will prior go through the general information of the Vietnamese market and, more specifically, through the clothing market. Afterwards, YF Company, a clothing manufacture for kid, would be introduced focusing on human resources element inside the company. The aims of this part is to provide a general view of the Vietnamese situation to the reader before approaching the details in the following part.

3.1 General information of Vietnamese Market

Vietnam, located in South-east Asia, is a communist country, an extremely fast and sustainable country. Vietnam has a population of 89.7 million people locating throughout the country of 127,000 square miles. The labor force of the Vietnamese market has a golden number meaning more than 60 % of the population of Vietnam is lying in working age. Yet, the quality of the Vietnamese people is not high as the productivity is under the average of the rest of the world. (BBC , 2016). With the average GDP growth of more than 6 % for more than 20 years since opening the market, rising from 9.8 billion dollar to 186 billion dollar in 2014 Vietnam is one of the most sustainable economic in South East Asia (General of Statistics Office of Vietnam, 2015). Yet, as about 69 % of labor force in Vietnam is working in rural areas and mostly in agriculture industry, the imbalance between rich and poor is extremely big. Together with the above advantages, Vietnam has an enormous potential to develop in the future, and the Vietnamese market is no longer only the battle among government enterprises but also private enterprises.



GRAPH 2. The map of Vietnam (Lonely planet)

Vietnam has a long-term history with more than 2000 years old since the first kingdom. During the establishment of the history of Vietnam, the country has been seriously affected and devastated by the dominating China Empire for more than 1000 years, the war with the Western Empire such as France and the United States of America for more than 100 years. These wars left enormous remnant in both physical and mental inside Vietnamese people. Vietnam has been lagging behind too long to the world not only because of separate of the nation, but also because the political reasons. After the independent day in 1975, Vietnam totally closed its market to the world as the world at that time divided into two poles, the Eastern and the Western. After the collapsed of the Soviet Union, Vietnam had to change itself unless it would have a step similar to the Russia, and only up to 1992, Vietnamese Government decided to open its market to the world in which the state enterprises no longer could dominate the whole market, but also private enterprises and, especially, foreign enterprises have an enormous chance to approach one of the most potential markets in South East Asia (BBC, 2016)

3.2 Overview of Vietnam textile and apparel market

Together with phone and mobiles industry, textile and apparel market is the major export sector of the Vietnamese economy with an export value estimating 17.9 billion dollar and the import value approximately 13.5 billion dollar (FPT, 2013) . Apparel industry covers about 10.5 % national GDP, and the annual growth rate of apparel industry during 2008-2013 period is sustainable with 14.5 %, making Vietnam one of the fastest growing countries in textile and apparel industry. There are more than 6000 companies operating in Vietnamese apparel industry, and private industry covers for more than 84 % of the market segmentation. Together with the escalating of Vietnamese peoples' income, the Vietnamese market is attracting both domestic and foreign enterprises significantly.

3.3 Overview of YF Company

The clothing market in Vietnam is very attractive with more than 60 % of Vietnamese is in working age, and there is no specific manufacture focusing on kids' clothing market. As the number children under 15 years old cover approximately 40 % of demographics (General State Office, 2015)

YF Company, a kid's clothing manufacture started to operate in 1992, the time Vietnam deciding to open its market to the whole world and creating a chance for private enterprises. With more than 26 retail stores nowadays in the Vietnamese market and having an intention to widen its market shares to South East Asia, YF Company is one of the biggest and fastest growing kid's clothing manufacturer in the Vietnamese market. A coin has two sides, and YF fashion is not an exception as together with the escalated in retail store and a significantly increased in the sales number, the motivation and the quality of staffs did not have a right concern, as a result, the number of veteran employees leaving YF Company raised to an alert number. Together with the attraction from competitors and the wave of foreign direct investment, the human resources war in the Vietnamese market is becoming more severe than

ever before as the number of skilled employees and the high managers in Vietnam is extremely limited. The higher the number of employee, the harder to satisfy everybody, and motivation not only have impact in keeping the talent and veteran employees stay with the company but also improve the productivity.

Together with some specific goals, YF Company gained enormous achievement as one the first and most successful clothing enterprises, especially in kid's clothing market, in Vietnam

4 RESEARCH AND ANALYZING CASE COMPANY YF

Throughout this chapter, the objective and the method to analyze the YF company case will be introduced first, and the methodology, together with the reasons. The analysis focus mostly on the result of the responses, and this result would be used only for this thesis. The analysis chapter is going to be introduced into three separate parts to be approached more easily, the chapter including research objective, analyzing method and analyzing the responses.

4.1 Research Objective

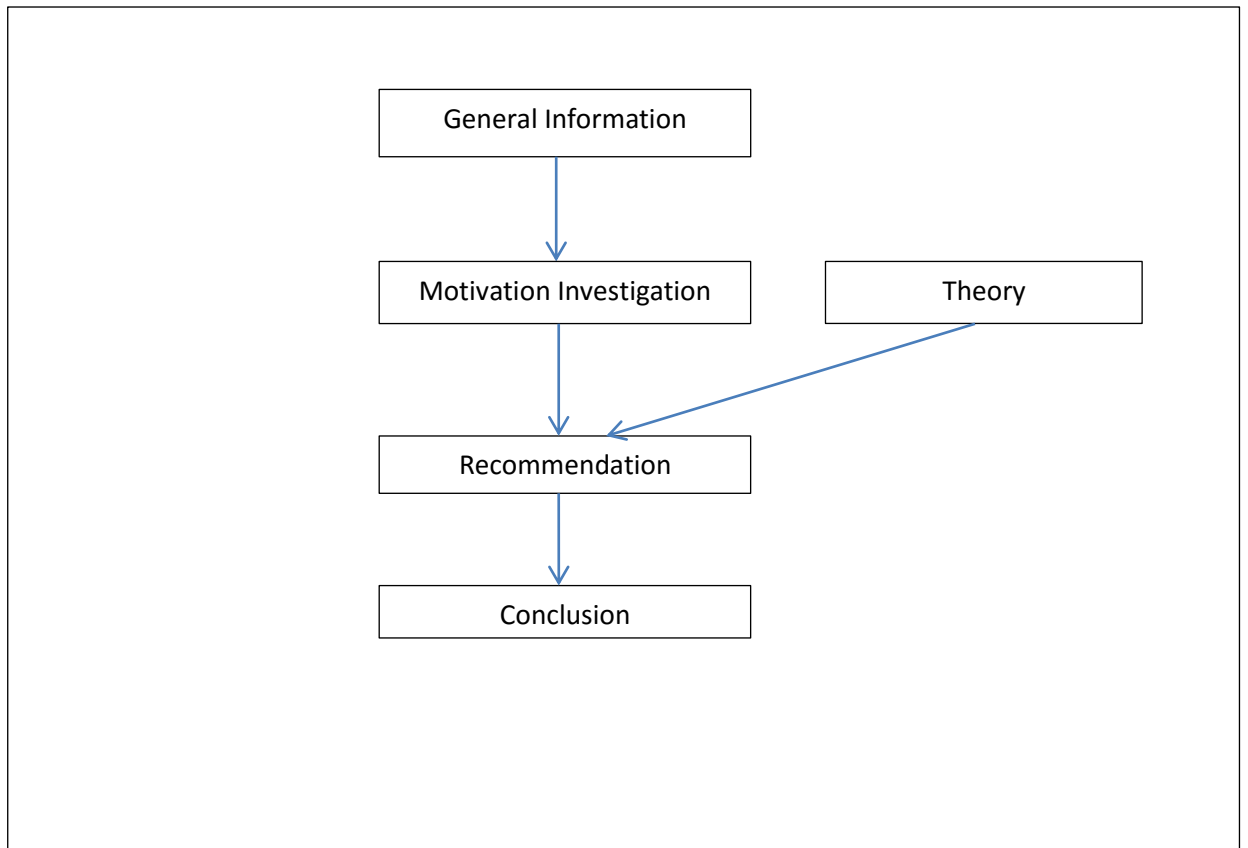
The objective of the research is to analyze the situation of human resources inside YF Company and to find out why there is an increasing rate in the number of employees quitting the companies, and more seriously, these employees mostly hold very important positions in YF Company and they have a trend to go to the competitors of YF Company and thereby they bring all knowledge, technology and design to the competitors. From the result collecting from the current employees, the data, mostly focusing on motivation and needs or demand of current employees, will be collected and analyzed carefully to find out the reasons of why more and more staff quit YF Company and go to the competitors.

4.2 The Analysis Methods

This study was conducted to answer the questions of the motivation level in YF Company. In order to fulfill the goal of this study, 143 employees who were in the sale department, customer services or operating department were randomly collected with the help of Mr.Hung, the manager of human resources in YF Company. The selected employees answered the question in sequence. The list of questionnaire can be seen in APPENDIX 1

4.2.1 The Questionnaires of YF Companies Case

With the aim to collect primary data because the convenient and efficient affect they can bring, the questionnaire was designed with the target to find out general information of motivation in YF Company. With the help of Mr.Hung, the manager of human resources department, the result was collected from 143 employees who are currently working for YF Company. Through 9 questions, including 2 parts in which part 1 concentrated on general information of employees and part 2 focused on the core of this case. The result was analyzed carefully to gain a general view of YF Company, and together with the analyzed result, asolution and advice will also be given.



GRAPH 3. Questionnaire Flow

4.2.2 The Interview

Together with the questionnaire which aimed to collect information from employees, an interview with Mr. Hung, who is responsible for the recruitment and motivate the employees, also was conducted. The containment of the interview has been shown in the APPENDIX 2.

The interview was designed with the aim to collect the opinion from the Human Resources department and the managers to achieve both the objective and subjective cause. This information has an enormous impact on the recommendations.

4.3 Current Motivation Strategies

YF Company has a specific and clear rewarding system for each position and each staff to motivate employees to gain a better results in operating. A bounus rewards system was based on many criterias such as the monthly sales target for retail stores or the number of hours and the number of new design clothes. The rules for the bonus system are showed as following

- Employees will gain at least a 5 % bounus in their salary each year.
- Employees who work more than compulsory hours will receive a 15 % of hourly salary
- Employees who design the highest number of sales clothe will receive a 50 % bounus of his or her salary
- The retail stores having the best sales result in month will reiceve a 10% salary bonus for each employees

As can be seen clearly through the bonus system, money is totally used for rewards in YF Company. Although money can be very useful in almost every occasion, based upon theories, money can only solve the most basic and the middle motivation of a human. The highest level of motivation is the recognition from other people, and human resources employers in YF Company do not seem to totally understand.

4.4 Analysis Finding

In this part, the results and the analyzing of the questionnaire is divided into two separate parts. Part 1 consists of the most general information of YF Company's employees in following order: gender, age, number of working years and satisfaction level. Part 2 will go deeper into the reasons of both satisfaction and dissatisfaction elements of employees to find out the best way to improve the satisfaction of employees.

4.4.1 Part 1

This part contains the basis background and general assessment of motivation (gender, number of working years, the motivation assessment) of employees at YF Company. As general information has an enormous impact on finding out how the satisfied are current employees with the company, and the information from the gender, age, working year and current satisfy level will help employers to get a suitable plan to improve the motivation level of employees.

The first question went through the gender of gender of employees as the motivations are differ from men and women, the gender has an enormous impact to the motivate plan of company to improve the productivity.

	Frequency	Percentage of total (143)
Male	54	37.7
Female	89	62.3

TABLE 2. Gender collecting result

From table 2, out of 143 employees took part in this survey, there are 54 male employees, representing 37.7 % of employees. While up to 89 employees are female in YF Company, the result shows the insignificant imbalance. The data may be explained by the sector that YF

Company is operating, the clothing manufacture in which more female employees are needed than male employees.

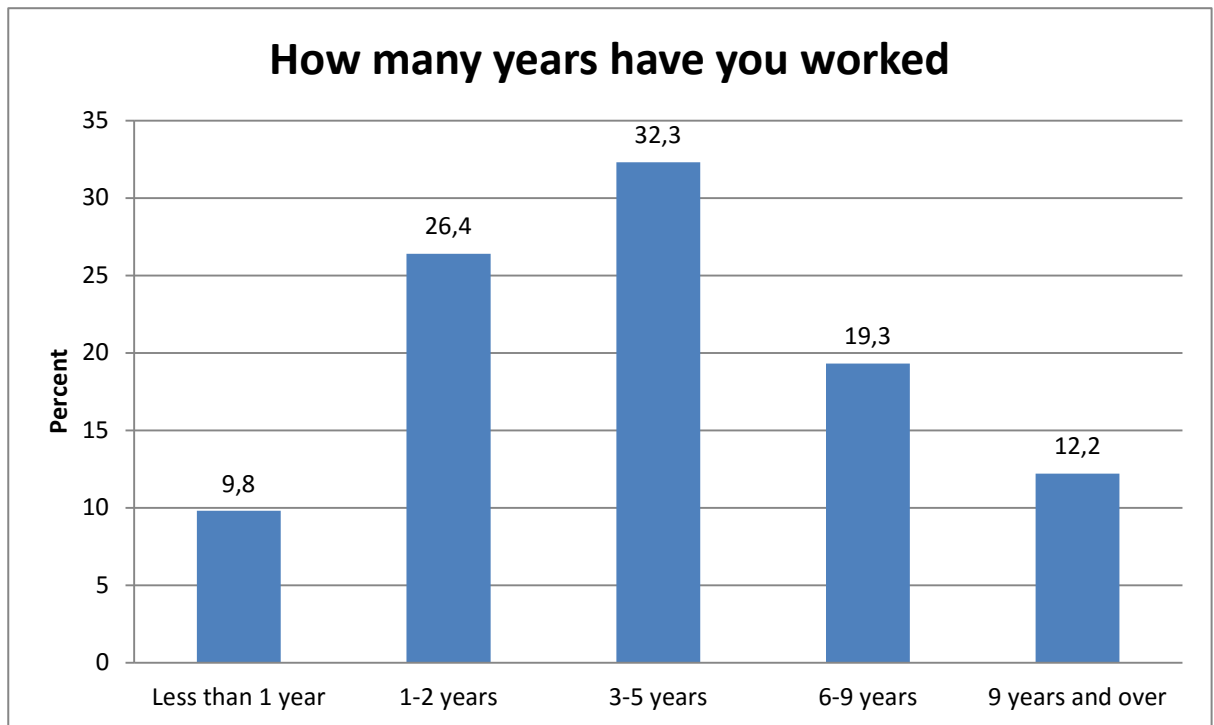
Secondly, the next question was designed to answer the question “how old are employees who currently work for YF Company”.

	Frequency	Percentage of total (143)
Below 20	18	12.6
21-30 years old	68	47.6
31-40 years old	33	23
40-50 years old	14	9.8
Over than 50	10	7

TABLE 3 Age collecting result

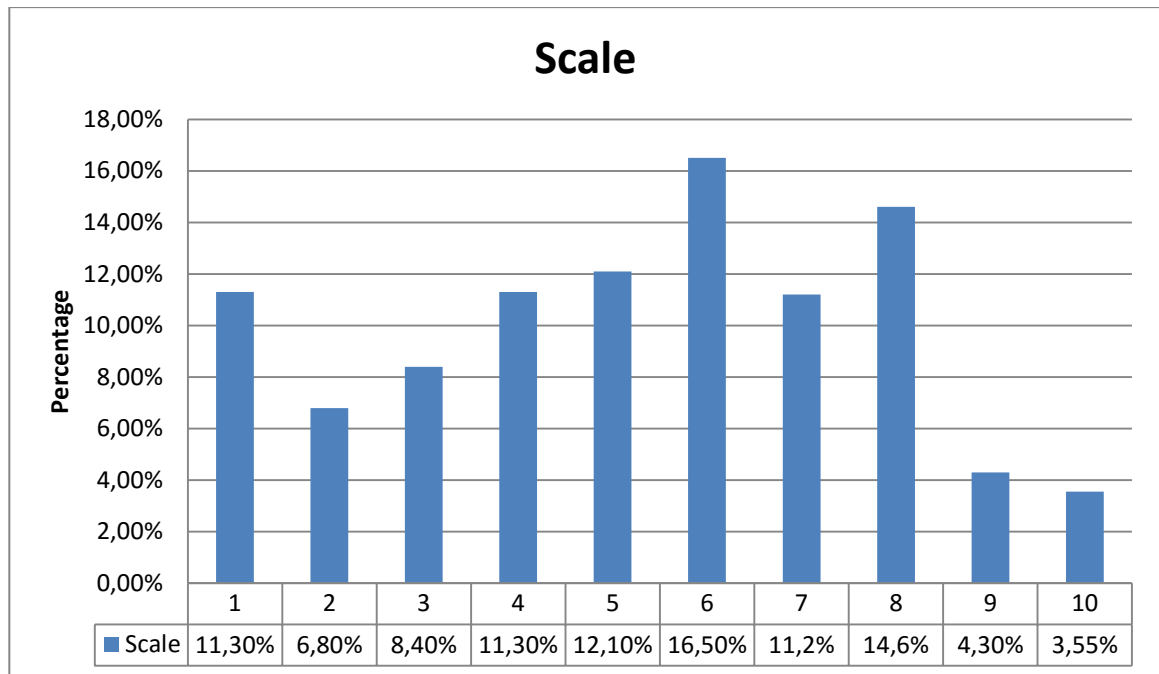
As can be seen from the tables, the 21 to 30 years old employees cover mostly a half of human resources in YF Company, with 68 employees showing through 47.6 %, and 31 to 40 years old employees comes as the second place with 33 employees working under this range, covering 23 % of labor force. Age is a significantly element which affects to the motivation of employees, as the motivation of people changes when they get older. Consequently setting goal and rewards should be adaptable to the years old of employees to maximize the value of rewards.

On the questions “how many years have you worked for YF Company”, the GRAPH 4 shows that the largest employee group is 3-5 years, with 32.3 %, followed by the group 1-2 years with 26.4 %. Respondents, who have worked for the company from 6-9 years, cover 19.3 % of the employees. There is 12.2 % of employees who have work more than 9 years, and only 9.8 % employees who have worked for YF Company for less than 1 year.



GRAPH 4. Numbers of working years

Afterwards, the satisfaction level of employees in YF Company will be showed in scale from 1 to 10 in which 1-3 is employees are unsatisfied at all during the time working there, 4-7 is having quite good time here, and from 8-10 are people who think they are mostly satisfied during the time working here. The result is showed in the GRAPH 6.



GRAPH 5 Motvivation rate scale

In response to how are you satisfied during the time working in YF Company, the result distributed varying as up to 51.1 % employees quite satisfied with the current motivation policy of YF Company but not totally agree with them. The number of employees who are not satisfied with the motivation policy of YF Company covers a large portion with 26.5 % employees choosing the satisfaction level from 1 to 3. There are approximately 22.45 % employees who are mostly satisfied with YF Company. The result does not only reflect the situations of YF Company, but also the whole Vietnamese economy system where the motivation of employees does not have a suitable position inside enterprises.

After going through the first four questions, the general information employees, including gender, age, working years and the satisfaction level has been mentioned to find out suitable solution for the low satisfaction level inside YF Company. A company only operates well whenever employees totally focus on their work and spend the high effort to achieve results for the company. A company has only these efforts whenever the employees have no though beside their works, and motivation improvement is truly needed in this situation.

4.4.2 Part 2

This part is the core of the study, including the factors that satisfy and dissatisfy employees in the company, and the answers for which elements the employees are not satisfied with the company. Lastly, after gathering all information from this result, a recommendation and conclusion will be pointed out to help the company improve its motivation policy, and gain a better productivity.

The fifth question was designed to answer the question “what does YF Company’s employee think that affect to their working motivation”. From the collected result one can recognize which factors should be the priority to improve, the result are showed in the TABLE 4 below

	Number of chosen (143)
Attracted salary	56
Organization culture	34
Recognition from boss and colleagues	67
Good working condition	78
Flexible time table	28
Public recognition	21
Job security	37
Relationship among colleagues	90

TABLE 4. The factors affecting the motivation of employees

The result is quite surprising that less than a half of employees, only 56 persons, think they are attracted by a high salary, the factor that YF Company think to be the best motive for employees to gain a good result. More surprisingly, the factor having the highest chosen numbers to motivate employees is the relationship among colleagues with 90 people choosing this factor, and this is a paradigm that money is not always the best choice to improve the productivity or keep talent to stay with the company. Followed by the relationship choice are the good working conditions and the recognition from the colleagues with 78 and 67 chosen. Some factors should have a right concern is the organization culture, the safety in working or

the flexible working hours. Beside the number of listed factors, there are some other mentioned factors such as the challenging project or the activities inside company.

Afterwards, the next question will come to the dissatisfaction reason of employees in YF Company.

	Number of chosen (143)
Low salary	77
No opportunity to learn or achieve new skills	58
Boring environment	34
Do not meet the job's requirement	89
Poor relationship among managers and colleagues	43
Low working conditions	45

TABLE 4. factors that dissatisfy the employees

Among the listed reasons which dissatisfy the employees in YF Company, there are 89 people who do not meet the requirements of the job, and the human resources department should know that employees are not satisfied with their current position. A low salary is the next reason as there are 77 employees choosing it. There are 34 and 43 employees choosing the reasons that dissatisfy most, in order, are boring working environment and poor relationship among managers and colleagues.

Afterwards, the question asked whether the employees think that the compensation in cash is enough or that they need some other kind of rewards (health insurance, life insurance or vacation day-off)

	Number of chosen (143)
Yes	46
No	97

TABLE 5. Number of chosen employees whether they are satisfied with the cash compensation

There are only 46 people choosing the “Yes” answer, meaning that cash is not the only matter to motivate employees. Consequently, 97 people choosing the “No” answer were asked to advise the suitable rewards to motivate them beside the cash rewards. There are up to 68 people thinking that a vacation day-off would be a perfect reward for employees, and there are 38 people choosing 1 or 2 day-off as their rewards. There are several opinions such as a ticket to a theater, a movie ticket or just simply a thank you.

5 RECOMMENDATIONS AND CONCLUSION

According to the result collected from the questionnaire, only 25 % of the employees are mostly satisfied with the motivation policy of YF Company, and the leaving rate of veterans is increasing significantly. There must be changes in the motivation ways of YF Company to make them stay with the company and achieve a better performance. This chapter was designed with the aim to provide a motivation plan and a suitable reward system resulting from the conducted case study. The recommendations are based on the own thinking and experience of the author. As mental and physical factors are the two elements to motivate employees in any organization, the recommendation is to YF Company to improve the motivation of employees based on two criteria, the mental motivation and physical motivation.

A motivation plan was conducted to provide the employees working in YF Company a better environment to make them stay with the company and improve their productivity. The theory of Herzberg, hygiene-motivation theory insisted that the more satisfied employees are at work, the better performance they will achieve. Being able to control and balance hygiene factors and motivational factors will make employees totally focus on their work to achieve the best result for the company. Consequently, the motivation plan is based on the theory of Herzberg to balance the motivation and demotivation factors to create not only a challenge atmosphere, but also a harmony atmosphere among colleagues.

Based on the result achieved from the questionnaire, up to 89 employees, covering 61 % of employees, were not satisfied with their current position as the requirement. As a result, managers should rotate employees and collect feedback from the employees to move them into suitable positions. As employees can not totally focus on their work unless they are put in the right position, consequently, managers among departments need to cooperate and analyze the strengths, weaknesses and opportunities of each employee, combining with the feedback of their hope, to move them into the right position based on their favorite and their ability.

On the other hand, rotating employees among positions will create opportunities to approach different tasks such as human resources, sales or advertising. The more positions employees

may have, the better ability he or she will achieve. Moreover, putting in various positions will also motivate employees and challenge them to develop their best ability, from that managers have a chance to recognize the talent employees and motivate them suitably to make them stay away from the invitation of competitors. Managers should provide employees with conditions and an environment where they can prove their ability.

More than a half of the employees in YF Company think that the recognition from colleagues and managers significantly affects on their working motivation. A suitable recognition should be answered through three questions how, when and where. The recognition of employees should be conducted on time with suitable awards, and it should be discussed among managers. Recognition is not the same as rewards when employees when they achieve a target.

In this case, the managers of each stores should cooperate with the board of directors to get feedback to the employees on time. The rewards do not need to be a large amount of money. According to the Maslow Hierarchy, the recognition or the compliment is sometimes be better than the realistic materials. Weekly and monthly rewards for good employees maybe just a compliment in front of the whole office or a couple of movie ticket. The recognition of employees are easier said than done as the recognition need a subtle behavior from managers. As Mr. Hung said in the interview, he might recognize all the problem in the motivation policy in YF Company, yet the lack of cooperation with the board of director made him not accomplish his desire. In this case, there must be cooperation among managers, board of director and each stores managers to

Based on the goal setting theory of Locke, a clear goal can improve the productivity of employees and significantly save time for managers. As the size of YF Company is increasing day by day, it is impossible for managers to keep track on the daily work of employees and set a suitable reward system to them.

It is suggested that a new sales target should be set up each year and divided into two separate targets. The first target would be last years operating result, and the second target would be the

aim target for this year. The awards for the second target would be greater than the first target. This would motivate employees to the best, and unless they do not reach the second target, they would also be praised for what they have done. This would motivate the employees to try their best to achieve also the second target. The second target awards should not be a fix amount of money, but based on the number of clothes as 15 % of sales profit would be divided to members of the stores.

Secondly, managers should also set a target for the whole company. This would set a fair atmosphere among stores, and all the stores would cooperate with each others to achieve the target for the whole company. Unless there is a target for the whole company, there would be a competition between stores and this would deteriorate the company in some circumstances.

As the employees are the most valuable resources and the root of a company most managers frequently think they just need to motivate employees through a rewards system, but the human is more complex than a computer or a robot. The motivation system is only a necessary condition, but not a sufficient conditions. Employers are only able to create the atmosphere to the employees, and the employees must motivate themselves unless they will be eliminated. As the motivating factors are based on various elements of employees such as ages, gender or even the current era. Motivators truly need to update the information from both inside and outside to ensure the employees are totally focusing on their work. The purpose of the thesis was to answer the question whether the employees of YF Company are currently motivated, and to find out ways to improve motivation of employees from that increasing the productivity and keeping them so stay with the company, consequently, the goal setting theories in which the managers only need to set a specific goal for each retail stores. This will save a lot of time to magagers to spend their time on the other work.

The theoretical backgroud of this study was mainly based on the Herzbergs' motivational theory, as this theory has a special meaning to the reality development of any companies.

Conducted from the research in the thesis, suggestions have firstly been made with the target to improve the motivational employees in YF Company. As the number of veteran leaving the company is increasing significantly, motivation factors should be at a right concern. To

achieve a sustainable development, YF Company must have a right concern to the employees as the human resources are the most important factors and the root of the development in a company.

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YF company staffs' assessment

The data of this survey was gathered from June 2015 till September 2015 from more than 100 employees working for YF Company with the help from my supervisor during the internship, Mr.Hung. These staffs working in the main office of YF Company and more than 8 stores of company varying in Ho Chi Minh city.

My name is Lam Tran Truc An. I'm currently a student of Centria University of Applied Science. I am writing this thesis with the purpose to find out the motivation of employees working for a company through the case of YF Company. I would be deeply appreciate if you spend your precious time to help me finish the questionnaire that will significantly help me for my report.

I hope to receive your responses as soon as possible as I will have more time to analyze carefully, and the responses will be anonymous as they only serve for my thesis purpose. Lastly, thank you to spend your time in this questionnaire.

Questionnaire

1. Which is your gender? (Please tick only one box)

- Male
- Female
- Unidentified

2. How old are you? (Please tick only one box)

- Below 20
- 21-30 years old
- 31-40 years old
- 40-50 years old
- 50 years old and over

3. How many years have you worked for YF Company? (Please tick only one box)

Less than 1 year

1-2 years

3-5 years

6-9 years

9 years and over

4. How is your motivation level during your work in YF Company? (Please answer based on the scale)

Scale: the answer will be vary from 1 to 10 as 1-3 is unsatisfied during the time working there, 4-7 is having quite good time here, and from 8-10 are people who think they mostly motivate by the policy of the company.

5. Which factors affect to your motivation in YF Company (Please tick all suitable answers)

Attracted salary

Organization culture

Recognition from boss

Good working condition

Flexible time table

Public recognition

Job security

Relationship among colleagues

Others _____ (Please specific)

6. Which factors de-motivating you in your working for YF Company?

- Low salary
- No opportunity to learn or achieve new skills
- Boring environment
- Do not meet the job's requirement
- Poor relationship among managers and colleagues
- Low working conditions

Others _____ (Please specific)

7. Which factors you want to improve most in your current company? (Please tick only one box)

- People and working environment
- Style of management inside the company
- Salary
- Challenging and exciting work
- Opportunity to achieve knowledge and skills
- Creative and freedom environment

Others _____ (Please specific)

8. Do you think the manager reward you suitably according to your operating result aside the compulsory compensation (e.g., health insurance, life insurance or vacation day-off...)

- Yes
- No

If you choose "No", please continue to answer question 9

9. Which are ways you think to improve the company operating result? (Please list your opinion)

Thank you so much for helping me to accomplish this questionnaire. The result gathering from this questionnaire would significantly help me to analyze the motivation through the case YF Company.

Interview

The interview has been conducted with Mr.Hung, who is the manager of Human Resources Department of YF Company, and he is the one who understand most clearly about the situation of employees in YF Company. He is also the one who help me to send the survey to employees in YF Company. The interview has been conducted by Skype and all the recored has been retype to serve the thesis purpose.

Starting question:

1. When did you start your work in YF Company?

12 years ago, as I am one of the first generation employees of YF Company

2. How long have you been in this position, the manager of Human Resources Department?

I have worked in this position for more than 6 years since the veteran, one the the establishment of this company left.

3. What is your position and your main responsible in YF Company?

I myself as the manager of Human Resources department mostly responsible for the recruitment , which get the requirement and the quota from the board of director. I also responsible to get the feedback from the managers and stores to demand the board of director to search more employees. I, together with the board of director, also the one who create the motivation policy in the company.

4. Do you think there is a lot of talent and veteran employees leave YF Company and what is the reason?

Absolutely yes, and in my opinion, the first reason is the invitation from the competitors, mostly coming from foreign with large amount of investment. The foreign companies with active environment, high salary and professional management have enormous attraction to the employees. Secondly, the other reason why employees YF Company is the motivation policy, for example, I myself often get rewards in money

from the board of director. There is too little outside activities to connect colleagues as the connection among employees is one of the most important reason to keep them stay with the company. These elements are truly missing in YF Company.

5. Do you think all the current employees in YF Company are satisfied with their job?

I do not think so, as most of the employees in YF Company worked there for less than 3 years. There must be a large number of employees left the company for many reason, and motivation must be one of the biggest reasons as some of them come to the competitor companies.

6. According to your opinion, what factors do you think that needed to be changes to motivate the employees effectively?

In my own opinions, the rewards policy needs to be changed as the current system only set the target for individual, stores and the company for each years. The weekly, monthly assessment is extremely limited as the employees will not strive their best daily to achieve the result. The feedback also need to be done regularly as feedback is one of the most effective tool to know what exactly the employees' desire. Although all the idea has been showed out, due to some reasons such as the capital or the limited of employees inside company, theses desire still have not become real.