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**ANALYSIS OF FACTORS AFFECTING JOB SATISFACTION IN TRANG PHUC  
PHARMACEUTICAL CO., LTD**

**Thesis  
CENTRIA UNIVERSITY OF APPLIED SCIENCES  
Business Management  
December 2023**



**ABSTRACT**

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<b>Degree programme</b> Business management		
<b>Name of thesis</b> ANALYSIS OF FACTORS AFFECTING JOB SATISFACTION IN TRANG PHUC PHARMACEUTICAL CO., LTD		
<b>Centria supervisor</b> Eija Kärkinen		<b>Pages</b> 43+3
<b>Instructor representing commissioning institution or company</b> Nguyen Thi Thuy		
<p>Vietnamese enterprises that are small or medium-sized deal with many challenges, one of which is recruiting a workforce who are capable and loyal to stay with the company in the long-term development plan. Especially in the current fierce competition, businesses are required to change and choose and implement advanced human resource management models, benefits, and policies to obtain, maintain, and develop human resources. Moreover, the organisation is able to promote employee efforts at work, give employees a sense of satisfaction and peace of mind at work, and pride thereby they will be willing to be loyal to the organisation.</p> <p>Trang Phuc Pharmaceutical Company is newly established and also faces difficult challenges of competition for human resources. Therefore, this analysis is carried out to understand, and evaluate the current job satisfaction status among office workers in Trang Phuc company, and emphasizes and analyses the factors that impact satisfaction. This thesis aims to provide business managers at enterprises with a deeper insight into the factors that the company could improve to make their employee satisfied.</p> <p>Through this thesis, the company can identify the job satisfaction degree and analyze the factors that strongly influence the employee's satisfaction with the job. From this reference document, the company could propose offers and build new policies to increase job satisfaction levels within the company and thereby improve the operational efficiency of the company.</p>		
<b>Key words</b> Job satisfaction, human resources, human resources managemet		



**ABSTRACT**

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## 1 INTRODUCTION

According to Anne (2004), human resources play a crucially important role in the development process for an organization as a valuable asset. However, when human resources are considered a valuable capital asset, the human in this concept needs to be properly understood as people who have the ability, knowledge, skills, responsibility, and dedication to accomplish and achieve organizational goals. Marcus and Curt (1999) consider that high-qualified human resources is the main key that determines the success of a company in competition with other organizations. This becomes an even harder problem in the context that Vietnam has been actively integrating with the international global economy (The World Bank 2018).

When opening up for integration, it is proudly said that one of the attractive factors as well as advantage competition to attract international investment in Vietnam is the lower wage market where the labor force can be paid or accepted at a lower salary. The international integration process has clearly proved that a cheap workforce is not a competitive advantage, it is recognized as a weakness of human resources toward quality and thereby the productivity of added value is lower, it is also a disadvantage in an organization's competition and the economy of a country, and finally and certainly bring on lower life quality. Moreover, nowadays the world is transforming from an industrial civilization to a knowledge civilization which creates a lot of changes in the competitive landscape. Besides the problem of competing for high-quality human resources with large corporations and international enterprises, the problem is retaining talents, especially highly qualified employees, and satisfying the needs of employees in the working process is more urgent than ever (Richar & Hal 2011). When compared to large enterprises, they have strong financial advantages as well as professional management models and offer attractive remuneration and salary regimes for employees. Therefore, retaining qualified employees is always a top priority for organizations. For small and medium-size enterprises with many limitations in terms of operational ability as well as financial potential, retaining professional employees' loyalty, as well as satisfying them is even more difficult (Score 2023).

Due to the fact mentioned above, the aim of the thesis which was studied within Trang Phuc Pharmaceutical Co., Ltd is to analyse the factors affecting job satisfaction. Based on this, the company's leadership will have a solid basis before deciding to choose the right employee incentive tool. Because work motivation plays an important role in increasing labour productivity when other

inputs remain unchanged. This thesis first examines the theoretical basis of employee satisfaction, identifying important factors that impact employee job satisfaction. After systematizing the theoretical model of employee satisfaction with the enterprise, a research model was built to identify and analyze employee satisfaction with Trang Phuc Co., Ltd. After determining these factors which are important and mostly affect employee satisfaction for Trang Phuc Co., Ltd.

This thesis is arranged into five chapters. The first part is the introduction to the thesis. Chapter 2 is the theoretical framework and this chapter clarifies the important definitions and concepts related to job satisfaction and introduces popular job satisfaction indicators. It helps people to obtain a fundamental theory about job satisfaction and easily access and understand the following chapter. In Chapter 3, the quantitative methods are applied to build research models to measure employees' satisfaction with five aspects of work. The questionnaire in the survey was created based on the theory in Chapter 2 with the goal of analysing employee satisfaction in terms of the nature of work, training and promotion, salary, superiors, and then colleagues. After conducting pilot research and completing the survey, the final survey was sent to 35 staff in Trang Phuc company by email who are the sample role of this survey. In the next chapter 4, the 5 Likert scale measurement will be used to evaluate and analyze employee satisfaction degrees in the workplace. The mean value will be calculated in Excel software based on data previously entered into the software to evaluate each employee's satisfaction level on a Likert scale. Chapter 5 provides conclusions and a discussion based on the analysis results in chapter 4.

## **2 THEORETICAL FRAMEWORK**

Employees who join an organization today have the opportunity to interact with colleagues, take part in company activities, be paid wages, and be possibly promoted to a higher position, they will individually evaluate the place where they are working. This judgment probably is negative or positive, however it expresses the employee's thinking and attitudes about the current circumstance, thereby indicating the employee's job satisfaction, this satisfaction level is probably reflected in many different factors for example compensations and benefits, working environment and culture, safety at work, promotion opportunities, colleagues, and supervisions affecting the employee or expressed on each factor. (Locke 1969, 316).

Human resource management has a crucial role in operating and developing a strategy for the organization, it has a vital role in determining successfully achieving the target goals and efficient results level of the strategy. Human resource management is compared as the bridge that connects the company and all staff who work for them. Human resource management will bring to the organization with quantity and quality workforce to achieve the organization's strategy. If human resource management works effectively, it will promote the ability and performance of employees, influence the level of job satisfaction of employees, and create cohesion between employees and employment in an organization. Therefore, human resource management will strongly affect satisfaction among employees. (Ramon & Alvaro 2015, 65-67).

### **2.1 Human resource management**

Human resources are all objects who are working for an organization or company and are also counted as human capital. There is a narrow concept that points out that human resources are the whole people who establish a workforce in the operation of enterprises or organizations. The human resources concept is referred to as a workforce with knowledge, skills, ethics, and responsibility and applies these in building, maintaining, and achieving the organization's goals. This human capital includes both aspects of physical and mental strength. The physical aspect is covered in people's health status, living standards, wage (revenue), and healthy eating diet. Knowledge is one of the important characteristics of mental strength. Other characteristics include talent, aptitudes as well as attitudes, beliefs, and personality. (Anne 2004, 2-3).

Human resource management (HRM) is the organizational function that manages all human-related issues within a business including planning and implementing recruitment, human resource information management, training and developing, control work performance, salary, benefit, and compensation. HRM is responsible for organizing and managing staff, and human resources at enterprises, companies, and organizations, always ensuring quantity and quality. HRM takes responsibility for exploring, managing, and implementing human capital in right in an efficient and effective manner. The function of human resource management and its tasks includes attracting, recruiting, training, calculating salary, evaluating, and rewarding employees. Moreover, HRM has to also take part in controlling and adjusting to meet the needs of employees. Besides that, they effectively and continuously maintain, protect, and develop potential employees in the organization. (Anne 2004, 2-3).

### **2.1.1 Role of human resource management**

HRM' role is a crucial department in ensuring the development and achievement of the business. The HRM function is related to strategic, operational, and administrative processes. The human resources department's function that recruit and maintain a qualified workforce and set them in suitable positions so that they are able to work or act to their full potential performance at the workplace. (Anne 2004, 2-3).

Human resource management is an important function within business including managing crucial resources that are assets and employees that are needed to produce the goods and services they deliver to customers. Most businesses have established procedures and processes for supplying materials and equipment and ensuring their availability to the company's demand. Correspondently, managers also have to focus on the process of managing people - an important resource for them. (Anne 2004, 2).

In the strategic role, the first role of the HRM of a department or an organization is to find out what are the current and future human resource needs to complete the achievement of the organization's goals. In this process, they have to ask questions as well as search for answers to these questions such as What qualified people are needed, and how many? Should the company hire more or train internally? HRM will conduct recruitment, management, and training personnel activities based on the organization's strategy and goals in each period. With skillful skills, human resource managers have

built a team of an enthusiastic, qualified, and loyal workforce who are able to accompany and dedicate themselves to the organization development in the long term. From there, they are able to manage personnel in the organization to operate efficiently, create high work productivity, bring strength to competition for the company, and increase business benefits. (Anne 2004, 2-3).

In terms of an operational role, the role of HRM in recruiting, selecting, and maintaining the workforce which are also quite a headache and difficult task for HR managers. There are many candidates, however qualified people who are suitable and meet the needs of requirement of position are not easy to search for. Therefore, HR managers and department heads are required to have a well and wide relationship network to find and attract potential candidates and then negotiate and persuade them to work for the company. In addition, the selection process from suitable profiles requires broad background knowledge, deep understanding, and multi-disciplinary experience to "accurately assess" the candidate's qualifications in both professional and managerial roles. The bigger the scale of corporations, the more professional the requirements of the resource management departments, it is not simply filtering and selecting candidates. Besides, HRM plays an important role when the organization is in a difficult situation in terms of human resources. This happens when employees are in negative attitudes, they show the company they want to quit their jobs, have a lot of days off or employees are tacitly opposed to the company policies, and are divided within the company. When these things showed, the HRM department will appear and give effective solutions to solve each situation of each employee's problem. In addition, the interaction and understanding of the employee's situation help the employees understand their problems, the HRM role also assures that remedial solutions should be implemented quickly and efficiently. (Anne 2004, 2-3).

In the administrative role, the role of HRM in terms of operations is also a daily task that is needed to ensure that employees implement efficient performance at the workplace, work responsibly, and are able to accompany the company in the long term. This requires connoisseurship in managing the work of the supervisors or department manager, combined with consultations from the HR manager who needs to assign the right people to the right jobs and clarify the roadmap, goals, and objectives for their workforce. To close the gap between current employee capacity and the expected workforce in the future, the HRM has to provide development plans, encourage employees, and manage efficiently and sufficiently performance. (Anne 2004, 2-3).

In many large corporations, the HRM department is crucially responsible for creating and developing the program in internal training according to the goals set by the leadership. For example, fostering

digital capabilities to support digital transformation strategies, corporate culture training, and customer care. (Anne 2004, 4).

If human resource management is fully and properly implemented, the remuneration regime and policy for new employees will be ensured, thereby helping employees feel secure in their work. With proper attention and investment, human resource management can build and strengthen the motivation of employees. In an organization, managers must carry out tasks, guide the organization to development, and at the same time understand and take care of the employees' desires. These are the desire for a more comfortable material life, being able to work in a comfortable environment, being well-facilitated, being respected by supervisors and colleagues, and having an active role in the team. These are fundamental factors in motivating employees and making them feel satisfied with their work. When management efficiently and sufficiently performs their job, the wishes of employees will be taken care of, satisfactorily resolved, and harmonized between the benefits of the organization and the employees' desires, this will make employees more enthusiastic in their work. (Anne 2004,129).

## **2.2 Job satisfaction**

From the theories above, it is clear to see the important role of HRM in the development of an enterprise. Organizations have understood this and have begun to focus on the HRM role in terms of recruiting, maintaining, and developing a qualified, loyal, skilled personnel team who are willing to dedicate themselves to achieving the organization's goals. However, the exploration among a lot of candidates and selection of the right one who meets the position requirements and would like to accept the offers is not an easy process so people call it a "war for talent". Therefore, many businesses have started a new turn, focusing on human capital, being ready for sustainable development in future growth with a skilled and knowledgeable workforce, increasing employees' performance, and improving employee job satisfaction. These things are counted for the HRM mission. (Jacob & Marshall, 2017, 26).

To improve job satisfaction, the first step is to understand their employees' thoughts and desires. Based on that create an effective plan, and establish a comfortable, friendly working environment that gets along well with the organisation's development strategy. Moreover, human capital is the core factor in assuring the success of the company. It is definitely that without a knowledgeable and skilled workforce, the organization is unable to complete its goals. This is the reason why companies invest a

lot of effort and finance to be involved in the "war for talent", and research potential candidates' needs and desires. However, when a company has recruited an employee who meets the requirements of the position and starts working for the company, almost every organization neglect to care about employees' needs, attitudes, desires, satisfaction, and thoughts which are crucial element in creating a performance workforce who willing to stay with the company in the long term (Anne 2004, 2-3). In this section, job satisfaction will be analysed further.

### **2.2.1 Definition of job satisfaction**

Hoppock defined job satisfaction as any set of psychological and environmental circumstances or factors that lead an employee honestly to say "I am satisfied with my job" (Briekend 2011, 77) According to Hoppock's definition, besides the job satisfaction of employees is affected by inner factors including environmental situations, there is still the existence of internal factors that are shown through employee's feelings. That means that job satisfaction is the whole element that makes employees feel satisfaction. Vroom in his definition emphasizes the employee's role in the organization. V-room's definition does not focus much on needs, but mainly on results. Vroom believes that employees' actions and motivation are determined by what they perceive this job will bring them in the future and compared to their expectancy. Employees put more effort into their tasks if they predict that a productivity performance will bring them fair results as well as better rewards including promotions, higher wages, or highly valuable rewards to them. (Briekend 2011, 77).

The job satisfaction definition is mostly and widely well-known by Locke (2012, 1304), who defined it as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" (Locke 1969,1304). According to Locke (1969), job satisfaction is measured by the emotions and attitudes of the person doing the job. Moreover, job satisfaction is a mutual impact between what people desire from their jobs and what they are able to perceive as providing or demanding. Therefore, if a person is not provided with enough resources or is prevented from achieving work values, he or she is easily discouraged and will certainly have a dissatisfied attitude to work (Locke 1969,1304).

According to researcher Andrew Brin, satisfaction is the love of work: "If you like your job, you will get satisfaction" (Andrew, 2020). It is simply explained that job satisfaction describes the positive level of employees' feelings or thoughts about what they are doing now (Andrew, 2020). When

employees honestly and voluntarily express their satisfied feelings about their jobs, then they highly evaluate and appreciate their jobs. In other words, job satisfaction is expressed through employee's emotions and attitudes toward their experience in their current jobs, they feel satisfied when these set of emotions and attitudes are positive. The factors counted in these experiences include the nature of the job and the working circumstances, wages, benefits, relations between them with supervisors and colleagues, and promotion. Dissatisfaction will happen when these employee's expectations are not the same as what they expected. (Furåker 2011, 12). From the above definitions, the first main characteristics of job satisfaction can be described as that job satisfaction at work is invisible, something that people are impossible to see with their eyes but people are able to infer them from theory, practice, and evidence. It expresses an employee's emotions towards their jobs (Locke 1969, 314).

Job satisfaction at work and employee attitude have a mutual impact. Employees who have positive attitudes toward their jobs mean that they are satisfied with the job and in contrast, employees who have negative attitudes towards a job mean that they feel dissatisfied about their job. In this definition, job satisfaction at work is explained as a different set of employee's positive attitudes toward their jobs. Attitudes are expressed through a personal employee's feelings about their company, colleagues, wages, and many other objects. On the other hand, the higher the level of employee's positive attitudes toward their job create the higher the employee satisfaction degree. The attitude here is more considered as the level of employees' reaction while employee satisfaction is a main element including employee recognition, wages, promotion, as well as the successful complement of various goals that create satisfaction among employees when they accomplish their jobs. Attitude is a fixed factor while employee satisfaction is a flexible factor and it is changeable and fixable. Satisfaction is able to grow or decline, however, do not forget it is possible to change it. Therefore, the company should seriously focus on the level of employee satisfaction as well as adjust it when it declines because it is the factor that mainly impacts employees' attitudes and behaviors in the workplace. (Josiance 2020, 8).

Job satisfaction is usually measured by the level between employee's job final performance and how much their expectations are met throughout their efforts. According to Briekend (2011), employee satisfaction is closely related to personal acts in the workplace. This explains that if an employee feels satisfied with their own job now, they will show their satisfaction with the job by their positive behaviors in the workplace. (Briekend 2011, 77).

In other words, if people who are working in the company perceive that they are putting much more effort and trying more than other people in the workplace in the end, they are lower evaluated, rewarded, or even do not receive the right recognition for all their efforts. these will lead to dissatisfaction feelings about their jobs which possibly and probably turns into negative behavior towards their jobs. In contrast, if people perceive that all their efforts and high productive performance are fairly recognized and paid off by the company that makes them feel satisfied which leads to positive behaviors. (Furåker 2011, 19).

### **2.2.2 The role of job satisfaction**

Satisfied employees play an extremely important role in any organization no matter whether the company is large or small. Making employees satisfied has a mutual effect, it impacts not only the company but also the employees. However, the level and intensity of impact are varied According to Joisance Fahed- Serih (2011, 35) a satisfied employee team will overall influence the business in organization activities and employee aspects.

In terms of organization, employee satisfaction increases staff efficiency or productivity. Satisfied employees with their jobs will express positive attitudes and behaviors through out they proactively dedicate and implement their skills and knowledge into their jobs to develop it. These help the company easily accomplish its strategy and achieve its mission and goals. In addition, the employee satisfaction team will help the organization keep the stability of human resources because it will help the company avoid employees wanting to move to other jobs. People who are satisfied with their jobs tend to engage with their jobs in the long term, and less be attracted by competition offers or other better job offers. Employees will put the company's benefits first and priority because they love their jobs and want to stay and companion in the long term with the company. Simultaneously, they will apply their positive attitudes, abilities, skills, and knowledge to establish and protect their job as well as the company which is considered a "common home" for them. Moreover, a satisfied employee will work enthusiastically, and productively, therefore they are able to bring better service to customers, offering them effective solutions. Moreover, satisfied employees themselves will promote the company image to the market which helps them attract more talent, and also create a good company image toward customers and partners. This helps the company also save more money which is needed for training and recruiting new candidates. Besides that, satisfied employees will try their best with the

highest responsibility and put much effort into accomplishing their tasks which reduces errors and damage as well as risks and more productivity. (Josiance 2011, 35).

In terms of employees, job satisfaction leads them to be proactively involved with the organization's activities, and create trust between employees and the company. It turns satisfaction into positive attitudes and behavior, satisfied employee first will consider company issues and put their efforts as well as high responsibility to dedicate and improve or make efficient solutions. To customers or partners, satisfied staff will initiatively and effectively negotiate with them to get a reasonable price and establish sustainable relationships. (Josiance 2011, 35).

### **2.3 Theories related to job satisfaction**

It is easily seen nowadays that the competition for knowledge and ability and the competition for working attitude are going together. If the employee's attitude directly determines behavior with a person, identifies the enthusiasm level to their jobs or just the way they react to their jobs, secure and certain feelings with their jobs, or the willingness to go long term in their own jobs. Therefore, for the company, establishing and maintaining employee satisfaction is the core and important key to sustainably developing. However, obtaining it right is not a simple matter. Therefore, the basic and fundamental theories of job satisfaction and survey models to evaluate job satisfaction have become valuable data sources that all companies or organizations are able to access and refer to before decision-making (Josiance 2011, 33).

#### **2.3.1 Maslow's Hierarchy of needs**

According to Maslow (2015, 20), human decisions and actions are determined by a variety of needs, and Maslow sorted these needs in a hierarchy from low to high. Maslow's 5 levels of needs are physiological, safety, social needs, esteem, and self-actualization. The aim of this hierarchy clearly clarifies and deepens these human needs which are set up from low to high, and emphasize the importance that these needs must be satisfied so that people live a healthy and productive life in term of mental and physical aspect. Maslow's theory is based on the following basic theories. Firstly, humans have a variety of needs and these needs are sorted from lowest to highest. Secondly, motivation to behavior is maintained only when their needs are met. (Maslow 2015,20).

Figure 1 below describes Maslow's way of arranging the variety of human needs, based on their requirements and desires, and then reducing them into 5 types which were arranged into a hierarchy of human needs from low to high.

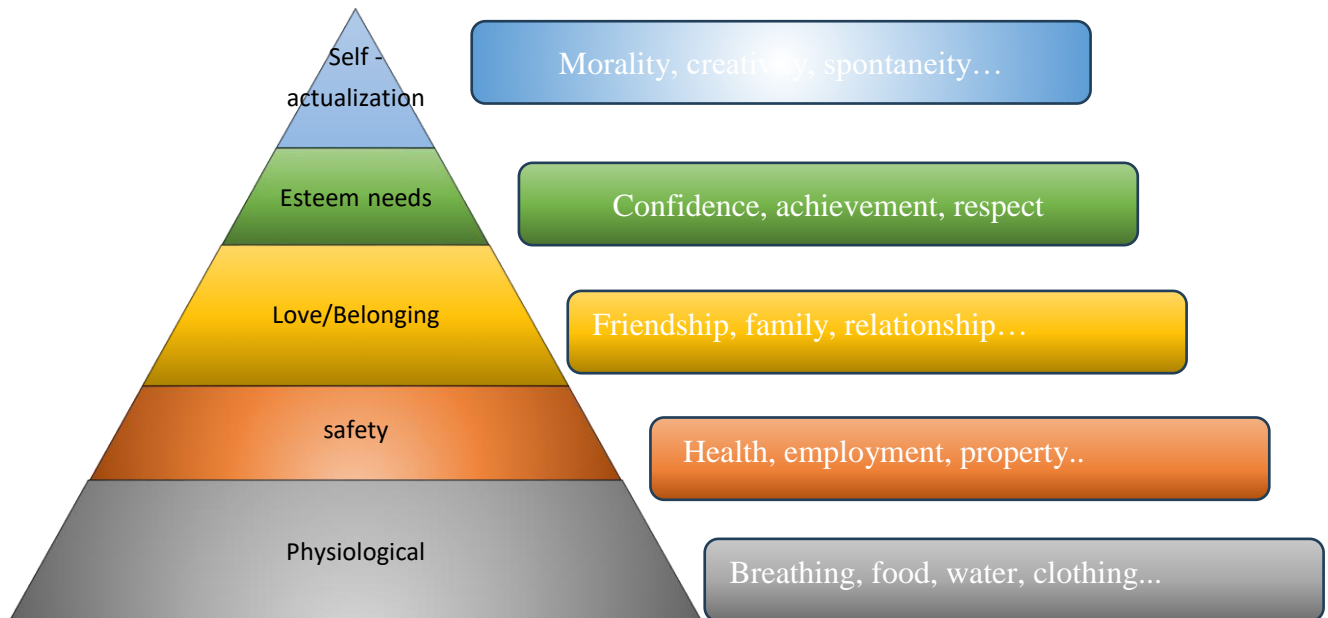


Figure 1: Maslow's 5 levels of needs

In figure 1, there is a pyramid and human needs are ranked from low to high on each floor where Maslow classifies five different levels of human needs. The first type of human needs is physiological needs. These needs are considered basic and minimum needs maintain that without these people are unable to survive. the basic needs that are probably mentioned are food, sleep, water, place to stay, and sexual life. These are the most basic needs that have existed longest time and the most popular when human needs are talked about. He emphasizes that if these basic needs are unable to be met in order to make humans survive at the basic level, other human needs will not be able to continuously keep going further. (Maslow 2015).

In the figure, the second floor is needed for safety or security which means an environment that is not hazardous, in which humans are able to continuously develop and live healthily. Safety was mentioned as the most basic need. when talking about safety, people could think about safety in careers, the environment, the economy, or even safety when people are living or traveling. If people want to

survive, first safety needs must be satisfied. Without safety, people's work is unable to be properly performed which leads to others' needs being unable to be met. (Maslow 2015).

The third floor is social need because every individual is a part of society, they want to be integrated into society. This need is drawn from inherent human fear, fear of being alone, fear of being abandoned, wanting to be apart, and being recognized among people. In this need content, it is complicated and various to classify. The psychological aspects of humans such as being recognized by public opinion, encouragement, integration desires, tolerance, love, friendship, and intimacy are internal issues maximum the capacity of this need. It describes how importance of human emotions aspect in developing humankind. (Maslow 2015).

The next one or the fourth floor is esteem and self-esteem need. In this need content, there are two types self-esteem and being respected by others. The first is self-esteem which includes the desire to be trusted, capacity, high working performance, liberty, and opportunities to freely and independently grow, develop, express, and improve themselves. Secondly, humans need want be respected, including the desire to have prestige, recognition, acceptance, positions, and honor. In the company, esteem needs for employees are to be recognized, promoted to high positions, and gain trust from all that they contributed to the company. Therefore the first and important task of the company is to build transparent and clear reward and punishment policies so the employees will be ready willingness to dedicate better to their jobs. (Maslow, 2015).

The fifth floor is also the highest place in the need for self-actualization. It is the desire to reach, to bring their potential ability, knowledge, and skills to efficiently finish their tasks and achieve the company goals (Maslow, 2015).

### **2.3.2 Equity theory**

Adams' equity theory mentioned human needs in which they want to be fairly treated and evaluated in their jobs (Adams 1963, 422–436). Figure 2 shows that employees always compare their contributions and what they are able to receive after all the efforts they have put in.

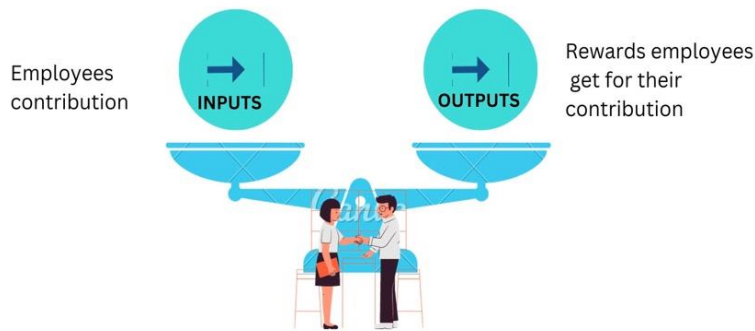


Figure 2: Adam's equity theory of motivation

In figure 2, the “inputs” can be described through factors such as skills, knowledge, time, and efforts while “outputs” probably are based on many factors such as wages, benefits, and promotion. After comparing and making ratio, they begin to compare their ratio to other employees' ratios. If the employee perceived that the ratio was equal, they would continually dedicate themselves to their job. If the ratio even exceeds their expectation, they will have a stronger motivation to improve their task and efficiently accomplish their job. In case, what they receive is under their expectations, this means that the "outputs" are lower than the "input", this will reduce employee motivation at work which means they are not willing to put more effort into finishing their tasks. (Adams 1963, 422–436).

### 2.3.3 F. Herzberg's two-factor theory

Frederick Herzberg, a psychologist studied the relationship between employee attitudes and motivation. He arranged all factors that impact employee motivation and sorted them into two groups that are motivation and "hygiene" (David & Deborah 1999, 26-30).

“Hygiene” factors include all factors that make employees dissatisfied in the workplace. These factors are external issues and exist independently of the job. They are related to salary, and job stability which means that employees have a high chance of being kept with the job and sticking with the job long time, not easy to be fired. In addition, other factors included policies, the nature job, and relationships with supervisors and colleagues. According to Herzberg, these factors do not make the motivation to employees, however, imperfection of these factors will cause employee dissatisfaction. (Frederick, Mauser & Bloch 2017, 113).

The second group is called the motivation group. The characteristics of this group are closely and tightly related to motivation for the employees, it also affects and creates motivation for employees. It is drawn from the current job condition and depends on the job. Factors of motivation are probably listed as successfulness, honors, recognition of achievements by the organization, leaders and colleagues, characteristics and internal nature of work, responsibilities at work, improvement, challenges, and promotion abilities. (Frederick, Mauser & Bloch 2017, 113).

### 2.3.4 Expectancy Theory

Victor H. Vroom is a Canadian psychologist who developed expectation theory in 1964 (Briekend 2011, 321). Vroom proposed a theory about the process of human motivation, whose core is the recognition of human characteristics, that is, the theory of expectancy. Expectancy theory not only considers human needs but also considers measures to satisfy those needs. Expectancy theory is a treatise on the process of identifying human characteristics. It holds that rewards or outcomes that people desire can motivate human behavior. (Briekend 2011, 321-323).

The figure 3 describes Vroom's expectancy theory that human motivation depends on three factors which are expectancy, instrumentality, and valence (Briekend 2011, 322).

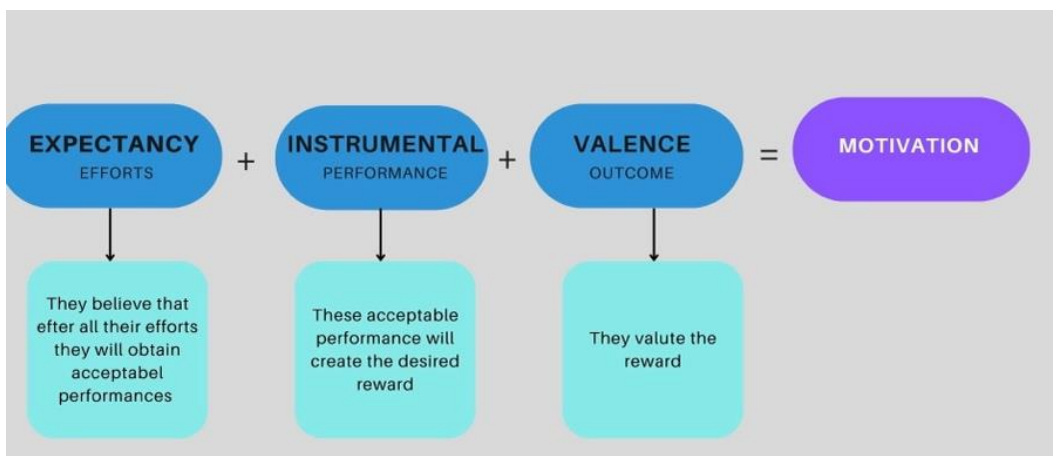


Figure 3: Vroom's expectancy theory

In figure 3, expectancy is explained as the mutual impact between effort and performance. Expectancy is an employee's belief that if they work hard, the task will be completed and they will obtain the expected expectancy. If the employee perceives that they probably receive nothing for productivity or better performance, of course, they will invest less energy and effort into the tasks. On the contrary, if the expectancy has a high possibility of becoming a reality, they will invest more effort to achieve the expected result. For example, when an employee wants to advance at work, a promotion is highly attractive to that employee. They believe that when efficiently complete their jobs and have good performance, they will be recognized for their performance and have a chance to obtain higher positions. However, if that employee perceives that the company tends to recruit people from outside the company to fill vacant positions or take on management positions instead of promoting within the company from lower levels up, the employee loses their motivation and sets less effort into their tasks. (Dr. Serhat 2022).

Instrumentality concerns the relationship between performance and reward as shown in figure 3. This explains that employees' belief level in whether their performance will be rewarded deserving awards. If an employee completes their tasks or exceeds the requirements of the tasks, they believe that they deserve to get a better reward than others who can not do it. The instrumentality element will be considered low if the reward is the same with every performance result degree. The main factors that influence instrumentality are wages, benefits or company policies, and rewards. (Dr. Serhat 2022).

Valence is the individual evaluation (comparison) degree of their reward which can be received based on their aims. Each person or employee has their own different needs, aims, and goals in their jobs, and then they will compare what could be rewarded in these jobs and give their assessment, and these assessments vary from person to person. Therefore, organizations need to determine which are the most important employee aims, goals, or values that create motivation for them to work. The most common motivation factors for employees are wages, benefits, promotion, or working- schedule. (Dr. Serhat 2022).

The main idea of this theory is understanding personal aims, goals, and the mutual impact between effort and performance, and between performance and reward. Finally, it is based on reward and personal expectancy. Vroom's expectancy theory emphasizes trade-offs or rewards. An organization must believe that the rewards offered must meet each individual's expectations. (Briekend 2011, 321-323).

### 2.3.5 Job characteristics model

Hackman and Oldham (1980) built and developed a model of job characteristics. The theory focuses on methods that can change job characteristics to motivate employees and improve job satisfaction. This model describes five core aspects of any job. The two authors argue that "job characteristics can directly affect employees' attitudes and behaviors at work" (Hackman & Olman 1976, 254). The job characteristics model will be briefly summarized in figure 4 below.

Figure 4 describes the model and explains that the way job characteristic is designed will lead to psychological effects that impact performance, and employee satisfaction, and motivate them also. The five core job characteristics in the model are that employees must use a variety of skills. Secondly, employees must clearly understand every step in the process. Thirdly, employees play a certain core important role. Fourth the job also must allow workers to exercise certain powers, which helps them to see responsibility for the work results. The fifth and last characteristic in the model is that the employee must receive timely feedback from superiors, recognition of achievements, suggestions, or criticism to help employees get better and better, thereby helping them know the real results of the work. (Hackman & Olman 1976, 254).

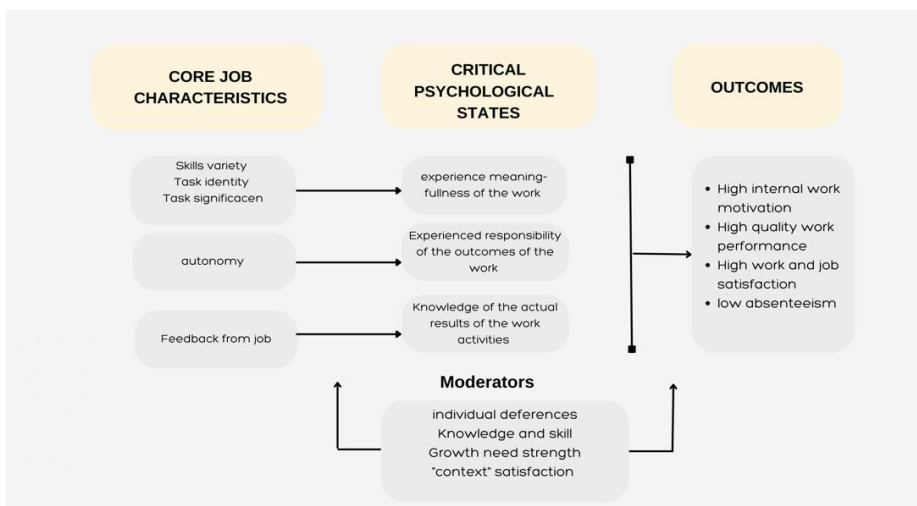


Figure 4: job characteristic model

Figure 4 describes that job design and motivation have a close relationship. The way a job is designed (including content, and job requirements) will create a psychological impact that affects job outcomes

(motivation to succeed, and work quality) and employee satisfaction. In other words, when a job has all the 5 factors above, it will bring employees motivation and the opportunity to improve in the workplace. This theory is the basis for designing jobs and giving autonomy to employees to create motivation. The objective of this model is to facilitate the promotion of external motivation and increase the job satisfaction of employees as motivation to work high intrinsic jobs, improvement of satisfaction among employees, and better work performance. (Hackman 1980, 449).

### 2.3.6 Indicators of job satisfaction

Employees are considered important human capital of every organisation therefore maintaining the skills and knowledge workforce is a crucial thing that the company has to focus on. There is always a strong mutual impact between employee satisfaction and work performance. When your employees feel satisfied with their work, they will be motivated to work hard to achieve peak performance. Therefore, in order to make the most of its workforce, businesses need to know the level of employee satisfaction, thereby coming up with plans to improve that satisfaction (Josiance, 2020, 35-26). That's why many businesses regularly hold HR surveys to measure employee satisfaction and track their satisfaction trends over time. Currently, there are four common indicators that are often applied by organizations when setting up surveys for their employees.

Figure 5 is the Employee Net Promoter Scores (eNPS) formula. The eNPS indicator was first developed by Fred Reichheld, Bain, and Satmetrix in the 1990s. The eNPS employee satisfaction index will help managers measure engagement between members of the company. It will also give employees a closer look at the cultural development that the business has been aiming for. (Frederick, 2003).



Figure 5: calculation formula of eNPS

An eNPS survey contains a simple question: ‘On a scale of 0-10, would you recommend the company as an ideal place to work for friends and family? The respondents to this question will be write into numbers form and then sorted into three groups and then it will be calculated to a specific value according to the formula in figure 5. The first group which scored from 9 to 10 will be called “Promoters” which is a group of satisfied people, employees who are extremely loyal to the organization and spread positive words around. The second group of employees has a score from 7 to 8 and are moderately satisfied, but are likely to leave the company if a better offer is available. They are passive, straddling the line in favor of and against business. This group will be called “passives”. The last group is employees who have scores from 0 to 6. These employees will be called “detractors” because these employees are highly dissatisfied with the organization and have negative word of mouth. (Frederick 2003).

Employee Turnover Rate (ETR) is a measure for businesses to know how many employees leave the company during a certain period of time (a month, a quarter, or a year). The formula is shown in figure 6. If the ETR rate increases, it means that the corporate culture is in trouble. (Dana 2011,195-222).

The termination of an employee's job can be caused by many different reasons not being suitable for the corporate culture, unclear promotion opportunities, unreasonable salary and bonus system, and conflicts between employees and managers (Dana 2011, 195-222). In figure 6, the ETR will be calculated by the number of employees leaving at the end of the period divided by the total number of employees at the beginning of the period and multiplied by 100%.

$$ETR = \left( \frac{\text{Number of employees leaving at the end of the period}}{\text{Total number of employees at the beginning of the period}} \right) \times 100\%$$

Figure 6: the ETR severance rate formula

The average ETR turnover rate varies from industry to industry. If the company's ETR is equal to or lower than the average, the employee is feeling fine with the current job. If it is higher than average, then your business is in trouble, you need to review and do more detailed surveys to improve your business.

The Job Descriptive Index (JDI) was built by Spector (1985) and this is highly appreciated in theory and practice. This index is expressed through 05 factor scales nature of work, payment (wages and salaries), opportunities to promote, supervision, and colleagues (co-workers) to measure job satisfaction within an organization which is defined as “the feelings a worker has about his job”. (Alex 2014,100).

The first factor is the nature of the job which means the extent to which the work gives employees interesting tasks and experiences, many opportunities to learn and develop themselves, the opportunity to have obligations and responsibility for the results of work, and receive positive feedback and suggestions. Besides, it is shown through the content of the work that is suitable for the employees' capacity (skills, knowledge, experience) to inspire them to develop their abilities. Arranging the right person in the right position will maximize employee potential ability and create higher productivity or performance. It is explained that individuals feel satisfied with their jobs when the person is arranged in a position that is not only suitable for them but also explores the maximum of their capacities. (Spector 2014, chapter 13, 693-713).

The second is payment (salaries and wages). This factor is the amount of money that employees will be paid for their jobs. According to Maslow's hierarchy of needs theory, salary is considered basic needs, and physiological needs. Benefits are what employee can get from their jobs besides the salary. The benefits include how much the company for them such as insurance, sick leave, allowance, team building trip, travel, and house. (Spector 2014, chapter 13, 693-713)

In the organization, salary is a tool to maintain good employees, attract talented people, and stimulate and motivate employees to work effectively. It can be seen that with the equivalent amount of work, a higher salary leads to a higher satisfaction degree among employees. Today, many organizations are willing to pay higher wages to have employees who meet the requirements of relevant work experience, ability, and skills. It is this that makes employees with high income feel that their self-worth is valued, and satisfied with their efforts and efforts to maintain high work performance to bring efficiency to the organization. (Spector 2014, chapter 13, 693-713).

The third factor is opportunities to promote. Promotion opportunities are a form of evaluation and improvement of employee performance in the working process. The higher the position, the greater the pressure and responsibility, so the organization and selection of employees for these positions are always carefully considered and arranged, in which training is an important factor in helping

employees have the opportunity to develop themselves, enhance professional qualifications, develop their full potential, and gain the skills they need to advance their careers. (Spector 2014, chapter 13, 693-713).

Meeting the needs of employees to be trained, developed, and promoted will help them feel that they have to strive for work, strive to achieve many achievements, and want to take on important and challenging jobs to achieve their goals, worthy of the trust of the organization in the use of people. When employees feel that there are high advancement opportunities, they feel motivated to work hard to achieve organizational goals in order to be appointed to higher positions and higher ranks. (Spector 2014, chapter 13, 693-713).

The fourth factor mentioned is supervision. Satisfaction will be increased when there is a good leader and employees perceive a good leader and vice versa, a failure management system will form in the working environment when leaders are insensitive, incompetent, and disinterested, leading to employee dissatisfaction. According to Bass and Alivio (1997) the core characteristic and framework of leadership is shown through the four I's. The first "I" is intellectual stimulation. This is management's ability to encourage employees to reflect on the key elements that shape the vision and mission of the organization, thereby making new suggestions. Suggestions for employees to come up with solutions to solve problems in order to develop themselves, and be satisfied with work, with colleagues, and the organization. Secondly, individual consideration includes leaders discussing, listening, and sharing with employees while helping employees build confidence. Moreover, leaders guide, coach, and advise employees, aligning employee needs with organizational goals to achieve higher development milestones. The next "I" is inspiration motivation which reflects the leadership's ability to motivate employees to work by providing compelling visions of the future, communicating and pointing out the meaning of work, directing employees to make efforts to overcome challenges at work, maintaining optimism during a crisis, and find ways to reduce workload by adopting innovative working methods, thereby stimulating employees to act with a strong belief to overcome all obstacles. The last "I" is idealized influence which means they will be a model for employees to follow, making employees feel proud and respected when working with a leader they trust (Marcus & Curt 1999, 20). They demonstrate a willingness to put the collective good first (Bass & Avolio 2016). Leadership is an important aspect of employee satisfaction that could make an essential and strong impact on their morale and performance. Transmit that passion to team members and thereby create a positive, productive working environment. (Steinmann, Klug, & Maier 2018, 2338).

The last factor also the fifth one is colleagues which reflects the relationships with colleagues and how individuals treat each other. The relationship between employees and colleagues is considered one of the external factors affecting job satisfaction. Colleague relationships are considered to extend to the work environment culture. A friendly, healthy, and open working environment in which colleagues interact with each other, cooperate, respect each other, and are willing to share experiences and support each other, when necessary, in the collective will lead to a higher satisfaction level in their job. (Spector 2014, chapter 13, 693-713).

### **3 RESEARCH PROCESS**

In this research process chapter, the research method, research process, measurement scale, sample size, tools are applied to collect the survey, collection process and process the information specifically mentioned and analyzed will be covered. In addition, this chapter will provide more information as well as a brief profile of pharmaceutical Trang Phuc Co ltd, to serve as a basis for conducting the survey and data analysis.

#### **3.1 Overview of Trang Phuc Pharmaceutical Co., Ltd**

The process of formation and development Trang Phuc Pharmaceutical was established with the first name Trang Phuc Pharmaceutical Company Limited (Tax code: 0305706103). Up to now, Trang Phuc Pharmaceutical has gradually been recognized in the range of the major pharmaceutical enterprises in Vietnam in the eyes of partners and customers. Their main functions focus on distributing pharmaceutical products and providing healthcare equipment. With stronger improvement and development in a couple of recent years, Trang Phuc Pharmaceutical Co., Ltd. has recognized to meet good medicine distribution standards that are called GDP. This GDP is issued by the Department of Health of Ho Chi Minh City. Besides that, Trang Phuc has developed and built a wide range of customers and partners across many regions of the country which is the first significant step to establish sustainable relationships between them. (Trang Phuc Pharmaceutical Co., Ltd, 2021).

In terms of human resource aspects with a system of modern facilities and equipment, and a team of managers, supervisors, and employees who are united, dynamic, creative, enthusiastic, and professional, Trang Phuc Pharmaceutical always launched high-quality and diversified products with reasonable prices and commitment to all customer that delivery on time whether the requirements of a large number or small in across the country. Especially, with the slogan "For the health of Vietnamese people", Trang Phuc Pharmaceutical always takes the innovation of product quality as a top priority of the company goals. Finlay, it can bring better care for the customer's health, and build unwavering trust in their customers. All products of Trang Phuc Pharmaceutical have to pass a strict quality control process before the products are given to consumers. (Trang Phuc Pharmaceutical brochure 2021, 2)

## **3.2 Research method and processing**

The study and assessment of job satisfaction of employees at Trang Phuc Pharmaceutical Company Limited is a broad topic, evaluating many different aspects when researching. Therefore, the topic requires the researcher to have a certain level of expertise and experience, to be supported by many people, and to have enough time and effort to carry out the research. Formal research using quantitative research methods was followed to find out and analyse the job satisfaction of employees within this organization. The scope of the study is limited to office workers in Trang Phuc company in Bien Hoa city, office workers here include both junior and senior staff however do not include business owners.

Creating a research model for Trang Phuc Company based on fundamental theories to identify the scales that impact employees' job satisfaction was the aim, then creating a survey and conducting to collect and study the survey, and then analytically evaluating the responses. The research model of this thesis is based on the original JDI model so 5 factors will be examined including the nature of work, salary and benefits, promotion opportunities, supervision, and colleagues.

### **3.2.1 Quantitative research method**

The research method applied in this thesis is the quantitative research method. In this method, the database will be collected and analyzed from the chosen sample in number forms. Therefore, it is easy and convenient to analyze as well as conclude the topic by using statistical methods, and data processing. This method also is the top choice in exploring and evaluating the attitudes, actions, and perceptions of respondents and then finding insight into problems. The result obtained from the quantitative method will be explained for a larger sample.

Due to limited time and cost, the convenience-non-probability sampling method was chosen for this thesis. The convenience-non-probability sampling method has limitations in terms of the scalability of the study's conclusions and may have sampling errors. However, it is well suited for low-cost academic research. Even though it is clear that the larger the sample the higher the result accuracy. As above mentioned, in this topic, there is a limit in finance and time, therefore the sample size is chosen to be the minimum necessary but still satisfies the study requirements. As mentioned above, the purpose of this thesis is to analyze employee satisfaction, the survey will be designed for the subjects

who are officers, employees, and delivery people (collectively referred to as employees) who are working at Trang Phuc Pharmaceutical Company, Bien Hoa city branch therefore the sample size will be 35 people. To obtain the observed factors for the empirical study, the author talked to two managers of the company and obtained further personal opinions about these factors from employees in different departments and positions. In addition, the observed factors were determined based on the factors that have influenced job satisfaction in previous studies. The survey develops closed-ended questions for the questionnaire in order to take into account and assess the respondents' perspectives. Consequently, it will prevent the disparate responses to open-ended questions that are frequently observed in quantitative research, which makes it hard to manage the responses of the study object and it also makes it difficult to come to a conclusion on the topic. To complete the questions in the survey, the trial survey version will be trialed with company employees as well as the company's leadership board and then they will discuss and evaluate its suitability with the current situation of the organization and add more questions to this if necessary. The superiors and employees are allowed to freely express their opinions on all job satisfaction aspects and add opinions on the observed factors. The results of all employees who participated in the discussion were consistent with the observed factors and the given set of statements in the survey. The measurement questions are easy to understand and are not duplicated. The final and completed survey version will be sent via email to all company employees who are a sample of the research method.

The scale used in this study is a five-level Likert scale for all observed variables. This measurement scale gives five different agreement levels to choose from, each agreement level will be expressed by a number from 1 to 5. Agree level will be arranged from low to high corresponding with the number from low to high, choosing number 1 means that people "totally disagree" with the statement in the survey. Choosing number 2 means that the respondent "disagree" with the statement. Number 3 expresses the neutral attitude of surveyed people which neither disagree nor agree. Numbers 4 and 5, respectively, represent the level of "agreement" and "totally agreement" of respondents toward the statement. With surveys using the 5 Likert measurement scale, the answers are already indicated by the researcher corresponding to each number, and the respondents only choose the answer that mostly expresses their agreement degree. Therefore, this creates convenient conditions for the thesis to compile statistics and analysis responses. To assess the respondents' attitude to satisfaction, closed questions can be selected in the questionnaire. Thus, it is avoided that the answers vary, which is usually the case with open-ended questions. This makes it difficult to control the answers and also difficult to draw conclusions and thus make a general statement about the research problem.

### 3.2.2 Data collection and analysis of data

After the statement is preliminarily drafted, the researcher consults with managers and staff as well as instructors to adjust it appropriately and easily. The completed survey will be emailed to all Trang Phuc employees (selected as the sample for this survey). In addition, the survey process and collecting the information minimize the expense, and time. The identity of the respondents must be kept confidential to prevent false information from being recorded in the survey. After the survey is collected, each question is coded into numbers and the data is entered using the Excel software. It is impossible to analyze these database which contains many existing mistakes that it is probably caused by invalid surveys or misunderstanding of the format of the survey. Therefore, the database is cleaned again and invalid data are removed.

After collecting information and entering survey data, the database will be controlled again, it also be filtered and processed to make sure about the reliability of the analysis. From the cleaned and valid database entered into the Excel system, the response to each question is calculated as the mean. Then the mean is rounded to the first whole number closest to the value of most Likert measures, the value is rounded to that value.

In terms of applicability, this assessment is easy to obtain, mind, and implement because it uses the mathematical rounding principle which is mostly understood by everyone. An analysis is then performed based on the data collected.

## 4 RESULTS

The study was conducted using quantitative research methods and referenced the company's annual report and employee policies for analysis. A total of 35 surveys were sent out via email. After cleaning the data and checking the returned surveys, there were 29 valid responses. The Excel software was used to summarize the responses and calculate the mean for all the statements of 5 factors (using the "Mean" function in the Excel software). The analysis of employee satisfaction level will be based on the results of the survey as well as the mean value of the statements of five factors.

### 4.1 The influence of the work nature on employee satisfaction

According to table 1 below, there are eight statements in the first factor “the nature of work”. Table 1 also describes the mean value of the nature of work factors on employee satisfaction. It can be seen that the employees in the survey subjects are almost satisfied with the factor of work nature. This is shown by the mean value of statement 1 is the job brings you chances to take maximum advantages of your competencies and statement 2 is the job that matches your education and qualifications” which are 4,321 and 4,288.

TABLE 1: the influence of the nature of work on employee satisfaction.

		Total	Mean
The nature of work	The job brings you chances to take maximum advantage of your competencies.	29	4,321
	The Jobs that match your education and qualifications.	29	4,288
	Your work is interesting and challenging.	29	3,748
	Your workload is moderate and acceptable	29	3,556
	The working schedule is reasonable.	29	3.44
	The workplace is well-equipped	29	3.867
	Your workplace facilities are good	29	3.999
	The workplace is safe, comfortable, and clean.	29	4.344

In table 1, the aspects “moderate and acceptable workload” and “Interesting, challenging work” had average rating scores ranging between 3,7, and 3.5, close to the satisfaction threshold. The aspects "Work suitable for professional and personal qualifications" have average scores in the range of 4.2 - 4.3, showing that employees are highly qualified with two of the aspects of the nature of the work. In terms of working time, employees are quite satisfied which is shown in the mean value is 3.4 however due to the nature of work at Trang Phuc company, most of the working hours are regular office hours, and there are not many flexibility which is causing difficulties for a small number of employees, leading to the average value still hovering around 3.4.

#### 4.2 The influence of salary and wages (benefits)

The basic salary level of Trang Phuc company applies to those who are newly recruited and have less than one year of working experience in a similar position at other organizations. Employees recruited into staff positions without working experience must undergo twelve months of training and receive 90% of basic salary. At the end of the probationary period or training will receive a basic salary according to the level of the company and state regulations. However, Trang Phuc company is a small part of a large corporation that has just been established, so the basic salary of the company is still low when compared to large corporations or companies. Table 2 refers to the level of employee satisfaction with salary and benefits through the six statements below.

TABLE 2: effects of salary and wage on job satisfaction

		Total	Mean
The salary and wages	You are paid commensurately for your efforts and the job characteristics.	29	2,701
	Your salary commensurate with your performance	29	2,689
	The salary ensures the basic need of your life and your family.	29	2,565
	You are rewarded when you completed tasks well	29	3,131
	You are evaluated for an annual salary increase.	29	3,705

	You receive extra benefits except salary (e.g. accident insurance, travel expenses, meals, annual travel)	29	3,013
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Table 2 describes the mean value of the statement about the aspects " You are paid commensurately for your efforts and the job characteristics"; "Your salary commensurate with your performance"; "The salary ensures the life of yourself and your family" has an average rating in the range of 2.56 – 2.71. It can be seen that the surveyed employees are almost unsatisfied with this factor overthought the mean value is in the range 2.50 – 3.49 (rounded to 3) which is considered neutral (Neither agree nor disagree). In addition, dissatisfaction with salary is also due to job characteristics, since Trang Phuc company does not have a policy for overtime or shift work surcharges (because most employees work during office hours). Employees who have to work overtime or shifts will not have overtime pay instead they will get an extra day-off (or hours).

Towards the aspects of "reward for effectively completed tasks", "Evaluated for annual salary increase"; "Good benefits beyond salary" with a mean rating of 3.013– 3.70 in the range "Neither disagree nor agree" segment. However, the mean values in this statement all are over 3 (rounded 4) which probably indicates that employees are rather satisfied with the company in these respects. According to the company document, Trang Phuc Pharmaceutical company has a professional system of performance evaluation as well as a clear reward policy for each individual. Every year, employees have to build their own personal plan that defines goals, figures for each goal, and measurement indicators to complete the work. At the end of the year, employees will be presented, discussed, and evaluated with their superiors about their performance according to the individual work plan registered at the beginning of the year. The results of the assessment will serve as the basis for 100% or less reward and promotion to the next salary level, and identify the knowledge, skills, or attitudes that need to be improved and included in the training plan of the employee in the next year. With these transparent and effective policies, employees at the company feel that they are treated fairly and are motivated to continue striving as well as they are satisfied.

### 4.3 The influence of promotion

In table 3 describes the mean values of the promotion factor and it is clearly seen that it is extremely high. In the promotion factor, four statements were given including "You are allowed to take part in

the necessary training courses within the company”; “the company has a transparent and apparent training and promotion policy”; “you know and understand what conditions are required to be promoted in your job”, “The company encourages and offers many opportunities for employees to promote and improve” which are shown in table 3.

TABLE 3: effects of promotion on Job satisfaction

Promotion	Total	Mean
You are allowed to take part in the necessary training courses within the company	29	3.723
The company has a transparent and apparent training and promotion policy.	29	4.244
You know and understand what conditions are required to be promoted in your job	29	4.177
The company encourages and offers many opportunities for employees to promote and improve	29	3.78

In table 3, the mean value is from 3.7 to 4.17 from statements about necessary training courses, training and promotion policy, and the understanding of requirement conditions for promotion which belongs to “agree” range (mean value from 3.5-4.49) in the Likert measurement scale and standing in the top range of agreement level. In the statement, "The company has a transparent and apparent training and promotion policy" the mean value is 4.2 which is one of the highest agreement levels in the survey.

#### 4.4 The influence of supervision

The level of employee satisfaction in terms of supervision is high which is shown in the result in table 4. There are four statements given in this factor including “You have no difficulty in communicating with your superiors; Your superiors always support and encourage you when needed; Your superiors really care about you; Your superiors always acknowledge your contribution to the company; Your superiors are capable people” which were mentioned in table 4 below.

TABLE 4: effects of supervision on job satisfaction

	Total	mean	
Supervision	You have no difficulty in communicating with your superiors	29	4,218
	Your superiors always support and encourage you when needed	29	3,857
	Your superiors really care about you	29	3,987
	Your superiors always acknowledge your contribution to the company	29	4,012
	Your superiors are capable people	29	4.112

In Table 4, three of five aspects of the factor supervisor have an average rating in the range of 4.01 - 4.22. Specifically, the aspects "No difficulty in communicating and exchanging with superiors"; "My superiors always acknowledge your contributions at the company"; and "My supervisor is a competent person" and is highly indicated by employees. There are two aspects: "My supervisor always supports and encourages me when necessary"; "My supervisor really cares about me" is rated by employees as close to satisfaction, with an average rating between from 3.86 to 3.99. The high mean value in the superior factor is explained by many reasons below after reference to the company policy documents as well as its basic operating mechanism.

#### **4.5 The influence of colleagues**

The person whom employees spend the most time interacting with are their colleagues, in comparison, this time is even more than the time they spend on eating, sleeping, or contacting their family or friends. The high mean value in this factor in each statement will explain that the relationship between employees and their colleagues in this company is based on harmony, love, care, and help for each other. Hence this makes employees perceive that the company is also their "second home", and create their long-term commitment to their jobs as well as satisfaction about their jobs. The table 5 below describes the mean value of four statements in this factor which are "Colleagues are always supportive and give advice when you need it; Colleagues at the company are sociable; friendly and approachable people; Colleagues are always dedicated and dedicated to complete work; Colleagues are trustworthy. It is clearly shown in this table that most of the statement is strongly agreed which is shown in the high mean value from 4.1 to 4.3.

TABLE 5: effects of colleagues on job satisfaction

		Mean	Total
Colleagues	Colleagues are always supportive and give advice when you need it	4.2945	29
	Colleagues at the company are sociable, friendly and approachable people	4,312	29
	Colleagues are always dedicated and dedicated to complete work	4,2515	29
	Colleagues are trustworthy	4,135	29

According to the result shown in table 5, the statement that "colleagues at the unit are sociable, friendly, and approachable" has a mean value of 4.312 in which 0.5% of people surveyed had an agreement level of 1 – 3 in Likert measurement 99.5% of people surveyed had an agreement level of 4 - 5. Regarding the statement "colleagues are trustworthy" the average value is 4.1350; 0.8% of people surveyed had an agreement level of 1 - 3; 99.2% of people surveyed had an agreement level of 4 - 5. The component "colleagues are always dedicated and dedicated to completing the job" has an average value of 4.2515 and 96.5 % of employee answers are in the segment from 4-5 and 3.5% of left belong to the value segment from 1-3. The last statement in the "colleagues' factor is "colleague is someone who always supports and gives advice when needed" which also has a high mean value of 4.2945. 98.2 % of people account for the strongly agreement segment from 4-5 in Likert measurement.

According to the survey results, the working conditions at Trang Phuc company working environment are quite highly evaluated, reflected in the average mean from 3.7 to 4.3, which is extremely high. The organization has created a green, clean, and safe working environment, it is also a large space where the company tries to set up many green plants and flowers. Moreover, the departments are well equipped and have good working facilities to create the most comfortable working environment so the employees can efficiently accomplish their tasks. These things make employees feel satisfied with the working conditions, so most of their answers are at the 4 or 5 level, leading to a high mean value. With a clear work-oriented strategy in training and promotion policies, job transitions within the company are implemented fairly. Additionally, to make employees state that they are in the right place where they have a chance to develop and improve themselves, reach and exploit potential abilities. Employees have a chance to take part in personnel training and necessary training courses which help

them to improve themselves and work effectively. Therefore, the satisfaction degree in this factor is specifically expressed through a high mean value (from 3.7 to 4.2).

On a small scale, it is easier for managers to take the time to listen to employees' wishes as well as quickly grasp any dissatisfaction between employees and superiors as well as between employees. Besides, the company also focuses on organizing activities to connect internally within the business such as teambuilding, festivals, and competitions between departments. Therefore, it is not surprising that the mean value of employee satisfaction in these two factors of colleagues and superiors is very high (from 3.8 to 4.2).

Comparing among the 5 survey factors, the salary factor received the lowest satisfaction rating, which is shown in the lower mean value (from 2.5 to 3.7). As for salaries, the company's salary increase regulations are implemented periodically, but the low level of increase cannot keep up with the rate of inflation. Other benefits such as retirement benefits, housing benefits, travel benefits, health checks, and insurance are still available but do not account for a large proportion of the basic salary.

## 5 CONCLUSION AND DISCUSSION

According to the company's annual report, the phenomenon of employees resigning from their jobs has tended to increase in recent years. Brain drain is a core and crucial issue of Trang Phuc company. The human resources department is struggling to find a way to maintain employee loyalty, long-term commitment of employees, and enthusiasm for work, and limit the number of employees who quit their jobs. Therefore, analyzing and evaluating factors that affect whether workers are satisfied with their jobs or not is considered an urgent issue. From there, solutions should be suggested to improve employee satisfaction at work. This will make employees dedicated to their work, increase their commitment and loyalty to the organization, attract workers, and retain talented people.

Based on the survey and analysis above, most workers are satisfied with four factors which include the nature of the job, promotion, superiors, and colleagues. The factor that has the lowest average score according to the Linker scale is the salary and wages factor. Especially the level of agreement on the statement that "salary is paid in accordance with the work results" which showed in mean value is only 2.7, and the mean value is 2.6 to the statement that "salary ensures the basic needs of life". This can be explained through the company's salary policy in recent years, which is that the basic salary has been reduced to the same level, and there are even many positions with lower salaries than prescribed as the state's minimum wage. Because of the consequences of the global Covid pandemic, and the war between Russia and Ukraine there is a global economic crisis, in addition to high inflation leading to a decrease in the value of money. Trang Phuc Company is in the process of applying savings measures to overcome the crisis and restore the company's finances. However, it is possible that the application of unreasonable salary policies has made employees feel dissatisfied and it has led to a high number of employees resigning.

According to Maslow's hierarchy of needs theory, the first two steps are "physiological and safety needs" which are described in wage and salary factors. These are essential needs in life that are equal to food, a place to stay, and safety. It is well well known that if the salary is low and not enough to cover minimum employee's needs in their life, they will quit their jobs or look for a new one. Salary and wages are probably considered the most important factors strongly affecting employee satisfaction. In other words, salary is always a painful problem for employees who live mainly on wages from the workplace with little or no income from other jobs. Therefore, what Trang Phuc company needs to do to improve employee satisfaction and retain talent is to review the salary scale

system. Then the company identifies positions that have lower salaries than the minimum wage set by the government and raises those to at least equal to the regional minimum wage according to regulations. This helps contribute to ensuring the basic life needs of employees and their families. Therefore, it is urgent to firstly adjust the salary plan to ensure every person is fairly paid and the payment has to be accordent with their effort as well as the job characteristic. It is necessary to ensure that the salary gap between positions is commensurate with educational level and training period. A suggestion policy could be developed to reward and increase the salary of those who continually complete outstanding tasks, while clearly and transparently mentioning and praising their names on internal bulletin boards. In this way, the company creates a huge motivation for an employee to complete the target and achieve their goals and then employees will receive a salary and rewards that commensurate with their performance and dedication.

In terms of supervision, the mean value is also extremely high which explains the high employee satisfaction degree of this factor. This is easy to explain, Trang Phuc company is a newly established company and the company scale is relatively small, therefore the connection between employees and superiors is tight and close because they must regularly meet, discuss with each other, listen to reports, and promptly resolve all work-related problems. Besides that, in the working culture environment, the exchange of ideas between management and employees has no distance or barriers. Every week, the superiors hold regular meetings, and representatives of departments and employees raise problems at work to discuss with each other, to promptly grasp the situation and direct problem solving, at the same time and show the company's upcoming takes. At this meeting, everyone discusses democratically and divides work to complete common tasks. These things lead to high satisfaction for employees.

As mentioned above Trang Phuc company is newly established, separated from a large corporation, so they pay great attention to training and retraining activities to improve the qualifications of employees. The company has very clear regulations on the budget for training activities, which is 6% of the total salary fund per year. The organization stipulates very clearly that newly recruited employees must be trained for 6 months and in addition, every two years the employees will receive professional training and retraining. Through training courses, employees better understand the work they are doing and have chances to improve their professional capacity, thereby having higher opportunities for promotion. Once employees see opportunities for growth at work, they are more motivated to efficiently complete their tasks. therefore following the survey result almost all employees feel satisfied with the promotion plan and policy of the company.

Right from the beginning, the thesis aimed to analyze and evaluate the employee satisfaction degree with five factors, and probably from these results the company has a reference before the decision-making to improve and maintain employee satisfaction and create a long-term commitment to the company. Then the topic studied the factors that affect the job satisfaction of employees of Trang Phuc company based on previous theories about job satisfaction and then conducted analysis. The thesis first clarified the concepts and methods to measure employee satisfaction degree, secondly, they collected, analyzed, and then they conducted to draw useful conclusions related to these five factors.

Based on the theory and analysis of survey results, the thesis has given useful conclusions as well as recommendations to ensure and maintain long-term employee satisfaction. In particular, this conclusion emphasized the salary factor where there is only the lowest mean value in the Likert measurement.

The research aims which were set at the beginning are basically completed. However, there still many limits in the implementation process including the sample size are not large, and there is no method to verify the reliability of data. The thesis needs to be improved more and correct mistakes to probably draw and bring quality and practical significance for readers and the company.

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## APPENDIX

### PART I: JOB SATISFACTION SURVEY

Job satisfaction survey

Learner survey

31. August 2023

Job satisfactions survey

Dear Mr/Ms- all employees working in Trang Phuc Pharmaceutical Ltd company

My name is Nguyen Thi Hoai, I am a bachelor student in Business Management, Centria University of applied science, Finland. I am conducting a thesis titled " Analysis of factors affecting job satisfaction in Trang Phuc Pharmaceutical CO., Ltd". In order to complete this thesis, I would like to invite you to take part in this survey to seek your views on job satisfaction factors. I would hope that you could take a moment to answer the survey below.

The survey should take about 10 minutes to complete and please note that there are no right or wrong answers. I guarantee to you that all your response is private and confidential. And moreover, all your individual respondents will not be identified in any data or reports. Survey responses will not be linked with enrolment records.

If you have any questions about this survey or would like further information, please do not hesitate to contact with me via email: thi.nguyen3@Centria.fi

Thank you for considering your involvement in this survey. I wish you all the best in your future education and career.

Yours sincerely

Nguyen Thi Hoai An

Email: thi.nguyen3@Centria.fi

## PART 2: CONTENTS OF THE SURVEY QUESTIONS

Please answer the questions below by circling the level of agreement corresponding to each statement (the higher the score convention, the greater your agreement). In there:

1 = Totally disagree

2 = Disagree

3 = Neither disagree nor agree

4 = Agree

5 = Totally agree

Variables	Statement	Rating				
The nature of work						
	The job brings you chances to take maximum advantage of your competencies.	1	2	3	4	5
	The Jobs that match your education and qualifications.	1	2	3	4	5
	Your work is interesting and challenging.	1	2	3	4	5
	Your workload is moderate and acceptable	1	2	3	4	5
	The working schedule is reasonable.	1	2	3	4	5
	The workplace is well-equipped	1	2	3	4	5
	Your workplace facilities are good	1	2	3	4	5
The salary and wages						
	You are paid commensurately for your efforts and the job characteristics.	1	2	3	4	5
	Your salary commensurate with your performance	1	2	3	4	5
	The salary ensures the basic need of your life and your family.	1	2	3	4	5
	You are rewarded when you completed tasks well	1	2	3	4	5

	You are evaluated for an annual salary increase.	1	2	3	4	5
	You receive extra benefits except salary (e.g. accident insurance, travel expenses, meals, annual travel)	1	2	3	4	5
<b>Promotion</b>						
	You are allowed to take part in the necessary training courses within the company	1	2	3	4	5
	The company has a transparent and apparent training and promotion policy.	1	2	3	4	5
	You know and understand what conditions are required to be promoted in your job	1	2	3	4	5
	The company encourages and offers many opportunities for employees to promote and improve	1	2	3	4	5
<b>Supervision</b>						
	You have no difficulty in communicating with your superiors	1	2	3	4	5
	Your superiors always support and encourage you when needed	1	2	3	4	5
	Your superiors really care about you	1	2	3	4	5
	Your superiors always acknowledge your contribution to the company	1	2	3	4	5
	Your superiors are capable people	1	2	3	4	5
<b>Colleagues</b>						
	Colleagues are always supportive and give advice when you need it	1	2	3	4	5
	Colleagues at the company are sociable, friendly and approachable people	1	2	3	4	5
	Colleagues are always dedicated and dedicated to complete work	1	2	3	4	5
	Colleagues are trustworthy	1	2	3	4	5

