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Research on Factors Affecting the Work Engagement of Employees at Small and Medium Enterprises in Ho Chi Minh City, Vietnam

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Abstract---Research on factors affecting the work engagement of employees in small and medium-sized enterprises (SMEs) in Ho Chi Minh City” was conducted with the following objectives: (i) Identify the employee’s factors affecting the work engagement of employees in small and medium-sized enterprises in Ho Chi Minh City; (ii) Measuring the impact of factors on employee engagement in small and medium-sized enterprises in Ho Chi Minh City and (iii) Proposing managerial implications to improve employee engagement connect the work of employees in small and medium enterprises in Ho Chi Minh City. Accordingly, the author builds models from research and scales based on previous studies. The study investigated 300 individuals who were employees working in Ho Chi Minh and collected 282 valid samples to collect data for quantitative analysis.

Keywords---employees, enterprises, factors, SME, work engagement.

Introduction

Currently, the phenomenon of "brain drain" is becoming more and more common because many employees are not satisfied with the working environment, want to find opportunities for promotion and dedication in a new organization. Retaining good employees is a painful problem for many organizations, especially in industries that require high qualifications. From the point of view of school management, employees changing jobs is a normal phenomenon. The common reason for this phenomenon is that in any human-made organization there are conflicts and conflicts between individual interests and collective interests. A very difficult issue is that individual and collective interests must be reconciled. Only then can the organization develop sustainably (Dung, 2005; Joki & Srivastava, 2015).

The human resource of an organization is latent and has great potential if it can be exploited. Creating an ideal working environment, providing employees with

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good material and spiritual remuneration is a must to retain human resources. A successful organization knows how to devise a strategy to attract talent and stimulate them to do good work (Yalabik et al., 2017). In order to create a human resource team that is engaged and loyal to the organization, human resource management activities have the most direct role and influence. The reality at SMEs in Ho Chi Minh City shows that many employees are still not interested and attached to the organization they have chosen, especially young people, fresh graduates or intending to job hopping, so they lack work engagement.

Research purpose

The topic analyzes the factors affecting the work engagement of employees at SMEs in Ho Chi Minh City. From there, the author proposes management implications to improve the work engagement of employees at SMEs in Ho Chi Minh City. To achieve the above research objectives, the content of the thesis needs to answer the following research questions:

- What factors affect employee engagement at SMEs in Ho Chi Minh City?
- What is the level of impact of these factors on employee engagement at SMEs in Ho Chi Minh City?
- What are the managerial implications for improving employee engagement at SMEs in Ho Chi Minh City?

Research theory

The table below summarizes the research results of related studies:

Table 1
Summary of previous research results

N	Authors	Factors affecting work engagement
1	Joki và Srivastava (2015)	Communication issues; promotion opportunities; colleague relationship.
2	Yalabik and collaborators (2017)	General job satisfaction; working conditions; exchange.
3	Shah and collaborators (2017)	Remuneration policy, working environment; work-life balance.
4	Nguyen The Khai và Do Thi Thanh Truc (2015)	Training and developing; internal communications; organizational relations; satisfaction; management; salary and bonus; work evaluating.
5	Do Xuan Khanh và Le Kim Long (2015)	Staff assessment; job identification; training; remuneration policy, salary and bonus; recruit.
6	Ho Van Nen và Nguyen Minh Tien (2018)	Employees' relationships with colleagues and leaders, personal finance factors, bank policy factors and workplace factors.

(Source: Compiled by the author)

Research Methodology

The research was carried out through 2 steps including preliminary research and quantitative research, specifically as follows:

- Preliminary study: In order to add observed variables to the scales and correct the observed variables of the scales of the factors in the proposed research model. Preliminary research is carried out in order based on theory and overview of previous related studies to propose preliminary research hypotheses and models. After that, the author conducted a group discussion with 10 experts to add observed variables to the scales and adjust the observed variables of the scales belonging to the factors in the preliminary research model to suit the needs of the population. Research context in SMEs in HCMC. Research results will serve as the basis for building scales and questionnaires to collect data for the quantitative research process.
- Quantitative research: Used to measure the factors affecting the work engagement of employees at SMEs in Ho Chi Minh City. The study sample in the quantitative study was carried out using the convenience sampling method with a sample size of 282 valid samples from a survey of 300 employees. Data is collected by the survey through a pre-designed questionnaire sent directly to staff at SMEs in HCMC for interviews and results. Collected data were processed by SPSS 20 software including descriptive statistics, reliability assessment of scales with Cronbach's Alpha test, exploratory factor analysis EFA with Barlett test and KMO, correlation analysis. Pearson relationship, OLS linear model, T-Test and ANOVA.

Results and Discussion

Hypothesis and proposed research model

To carry out the research, the author builds a research model applied to this thesis with 06 independent factors including (1) Nature of work; (2) Training and development; (3) The role of leadership; (4) Relationship with colleagues; (5) Salary, bonus and welfare policy; (6) Information exchange and communication and 01 dependent factor is (7) Work cohesion; Accordingly, the relationship between factors is shown through the following research hypotheses: Therefore, the author proposes the following hypotheses: H1: The nature of work has a positive (+) impact on the work engagement of employees at SMEs in HCMC. H2: Training and development have a positive (+) impact on employee engagement at SMEs in Ho Chi Minh City. H3: The role of leadership has a positive (+) impact on employee engagement at SMEs in Ho Chi Minh City. H4: Relationship with colleagues has a positive (+) impact on employee engagement at SMEs in Ho Chi Minh City. H5: Salary, bonus, and welfare policies have a positive (+) impact on employee engagement at SMEs in Ho Chi Minh City. H6: Information exchange and communication has a positive (+) impact on employee engagement at SMEs in Ho Chi Minh City. Accordingly, in this study, the author proposes the following research model:

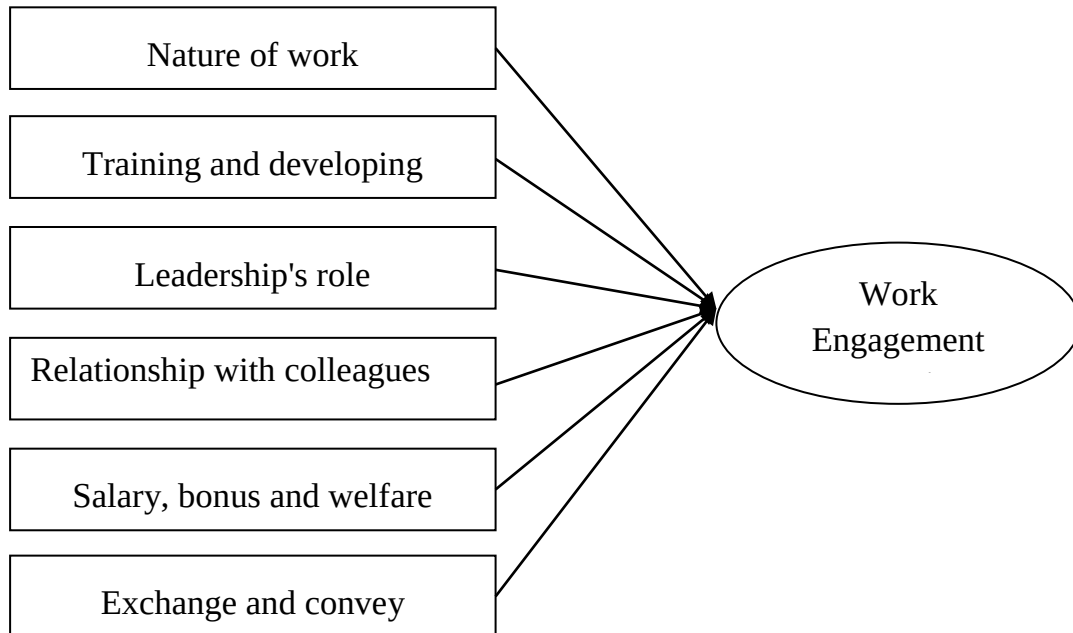


Figure 1: Proposed research model
(Source: Author's recommendation)

Table 2
Statistics of survey subjects

	Variable	Frequency	Ratio %
Sex	male	131	46,5
	female	151	53,5
Academic level	High school and college	16	5,7
	undergraduate	203	72,0
	postgraduate	63	22,3
Age	Under 30 years old	38	13,5
	From 30 to 40 years old	113	40,1
	From 41 to 50 years old	99	35,1
	Over 50 years old	32	11,3
Working years	Less than 5 years	41	14,5
	From 5 to 10 years	169	59,9
	Over 10 years	72	25,5

(Source: Compiled by the author)

Based on previous research and theories related to the analysis of factors affecting job engagement, the author synthesizes the factors affecting employee work engagement at SMEs in HCMC. On that basis, the author made a survey table and surveyed to collect opinions about the information of the survey subjects, information about the factors affecting the work engagement of employees at the workplace. SMEs in HCMC. Then, the author examines whether

the collected surveys are appropriate or not and conducts statistics and synthesizes all the appropriate surveys before going into analysis. The survey of opinions and data collection was conducted by the author from August to September 2020.

After having the collected data, the author applied SPSS software to make statistics of the personal information indicators of the survey subjects, analyze the basic steps in the regression analysis. Scale and run a regression model showing the influence of factors on employee engagement at SMEs in Ho Chi Minh City. Key conclusions from the study:

- First: A collection of theoretical issues on job engagement, the role of job engagement and especially previous studies in detecting and analyzing factors affecting engagement finish work. From there, as a basis for the author to propose factors affecting the work engagement of employees at SMEs in Ho Chi Minh City, including 6 factors: BC (Nature of work), DT (Training and development), LD (Leadership role), DN (Relationship with colleagues), LT (Salary, bonus and welfare policy), TT (Information exchange and communication).
- Second: Perform preliminary statistics on information about survey subjects such as gender, education level, age and working seniority. Statistical results show that the male and female gender difference is not too high, the age group is mainly from 30 to 50 years old, the university degree accounts for a higher percentage than the remaining qualifications and seniority. Working for 5 to 10 years accounts for a higher percentage than the rest.
- Third: Analyze to evaluate the reliability of Cronbach's alpha scales and EFA factor analysis to eliminate unsatisfactory variables when included in regression analysis, the results show that: With 27 variables/ scale (including variables of dependent factors and independent factors) included in the analysis, all variables/scales meet the requirements.
- Fourth: Correlation analysis results show that factors BC (Nature of work), DT (Training and development), LD (Role of leadership), DN (Relationship with colleagues), LT (Salary, bonus and welfare policy), TT (Information exchange and communication) are all significantly correlated with the GK factor (Job cohesion).
- Fifth: The results of the analysis of the linear regression model show that the factors affecting job engagement, including 6 factors, in which, factor (1) Training and development impact. The strongest factor, followed by the factor (2) Salary, bonus and welfare policy; (3) The role of leadership; (4) Nature of work; (5) Exchange and convey information; (6) Relationship with colleagues.

Management implications for the problem

Management implications for the training and development factor

Training and development reflect the organization's provision of training and development opportunities; the training programs provided to employees are sufficient; organizes employee training for new duties and provides excellent opportunities for employees to develop personal skills. With such conten, training

and development is one of the important factors that need to be analyzed and evaluated when considering Job Engagement at SMEs in HCMC. Along with that, according to the results of the regression model analysis, the training and development factor has a positive impact on the job cohesion at SMEs in Ho Chi Minh City. Salary, bonus and welfare policies reflect wages commensurate with working results; wages sufficient to meet the needs of life; reasonable guaranteed allowances and timely guaranteed payment modes. With such contents, the policy of salary, bonus and welfare is one of the important factors that need to be analyzed and evaluated when considering the cohesion of work at SMEs in Ho Chi Minh City. Along with that, according to the results of the regression analysis, the factors of salary, bonus and welfare policies have a positive impact on the job cohesion at SMEs in Ho Chi Minh City.

The role of the leader reflects that the leader is always friendly to employees; respect and listen to employees' opinions; Leaders are always skillful when criticizing employees and leaders always give constructive suggestions to employees. With such content, the role of leadership is one of the important factors that need to be analyzed and evaluated when considering the cohesion of work at SMEs in Ho Chi Minh City. Along with that, according to the results of the regression model analysis, the factor the role of leadership has a positive impact on the work cohesion at SMEs in Ho Chi Minh City. The nature of the work reflects the work requiring a wide range of skills; work has a certain role in the organization; receive feedback from work and work by ability. With such contents, the nature of work is one of the important factors that need to be analyzed and evaluated when considering Job cohesion at SMEs in Ho Chi Minh City. Along with that, according to the results of regression analysis, it shows that the nature of work has a positive impact on job cohesion at SMEs in Ho Chi Minh City.

Communication and communication reflect the communication and information exchange among employees quite well; management activities in the organization help employees know how well the organization is operating; Communication and information exchange between managers and employees is quite good and employees are regularly informed formally about the purpose and objectives of the organization. With such content, information exchange and communication are one of the important factors that need to be analyzed and evaluated when considering Job cohesion at SMEs in Ho Chi Minh City. Relationships with colleagues reflect that colleagues are always open, agreeable, sociable and friendly; colleagues always coordinate with each other to perform work; colleagues are always ready to help and share difficulties at work and colleagues listen and give suggestions to help each other do better work. With such content, the relationship with colleagues is one of the important factors that need to be analyzed and evaluated when considering Work engagement at SMEs in Ho Chi Minh City. Along with that, according to the results of regression model analysis, it shows that the relationship factor with colleagues has a positive impact on job engagement at SMEs in Ho Chi Minh City.

Conclusion

The objective of the study is to measure the impact of factors on the work engagement of employees at SMEs in Ho Chi Minh City. The topic has collected and researched issues related to work engagement through the study of theoretical issues, previous studies to identify and evaluate the factors affecting and affecting the work engagement affect job engagement. From there, the author synthesizes the factors affecting work engagement and proposes a research model. Based on the proposed research model, the author conducts a survey and collects data to analyze the impact level as well as the influence of the factors. The research results show that the factors affecting job engagement, including 6 factors, in which, factor (1) Training and development has the strongest impact, followed by factor (2) Policy on salary, bonus and welfare; (3) The role of leadership; (4) Nature of work; (5) Exchange and convey information; (6) Relationship with colleagues. Along with that, the author tested the difference and obtained the results that there was no difference between the control variables (gender, education level, age, working seniority) to the engagement factornemployee work.

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