

Research on the Employee Motivation in Tourism Industry in Danang City

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Abstract:- The study aims to determine the factors affecting employee motivation in tourism organizations in Danang, Vietnam. To achieve this target, the Likert scale will be applied to examine the relationship between independent and dependent variable. The key findings will reveal whether the factors including salary, benefits, supervisor, co-worker, work condition, work itself, training, development and recognition have influences on employee motivation. It will bring to conclude that employee motivation is a highly sensitive concept which is affected by a multiplicity of factors. This paper also proposes recommendations for tourism managers to cultivate the employee motivation because of its important role in maximizing the organization's profits and improving the business operation.

Keywords:- Employee Motivation, Tourism Industry, Danang City.

I. INTRODUCTION

Danang has recently been viewed as one of the famous tourist destinations in the world. The New York Times has ranked Danang at the fifteenth out of 52 must-go destinations in 2019. The boom of tourists also motivate travel companies to increase their presence in this beautiful coastal city. It is demonstrated that human resource management is the most valuable asset as well as the most important factor in determining the success or failure of the company in the future; therefore, companies irrespective of size and market strive to retain the best employees. If the employees are not satisfied with their jobs, or are not motivated to fulfill their tasks, they cannot ensure a customer satisfaction service, thus influencing on organizational effectiveness. In order to overcome these drawbacks, companies should create a strong and positive relationship with their employees and direct them towards task fulfilment. As a such competitive context, there are many reasons for employees to abandon their work. For example, they feel dissatisfied with weak material facilities, no respects, no sharing from monitors, no motivation, no chance to develop their career, no training, no clear policy, injustice, poor working environment, non-democratic, etc. If human resources are not planned effectively, enterprises cannot get optimal benefits from human resources. Obviously, employee motivation has always been a central problem for leaders and managers, especially in the tourism industry. This is the main reason why the author conducts research on

employee motivation at tourism companies in Danang. The data for this study were collected through using questionnaires that were distributed among all of the employees of two similarly sized tourism organizations in Danang. Out of the 987 questionnaires sent out, 873 were returned, which yielded a response rate of 88%. Women constituted 63% of the sample, and the mean age was 32. After adjusting for internal attrition, the analyses in this study finally came to be based on a pool of 869 individuals who had completed data for all variables of the study.

II. LITERATURE REVIEW

A. Employee Motivation

Many managers conduct policies on employee motivation in order to enhance the effective job management among employees in organizations. A motivated employee meets certain goals and objectives that he/she must achieve, so he/she directs his/her efforts in that direction. Kamalian et al (2010) indicated that motivation makes an organization more successful because excited employees are constantly looking for ways to make their work more efficient, so it is necessary that organizations create the motivation tablets.

Thus, getting employees to do their best work even in strenuous circumstances is one of the employees most stable and greasy challenges and this can be made possible through motivating them.

B. Previous Researches Related to Job Motivation

Mohammad Kamal Hossain and Anowar Hossain (2012) tried to identify the influencing factors and assess the impact of these factors on the motivation of employees working at KFC UK Limited. Data were collected from 70 employees of three KFC food stores in London. The study identified six broad categories of motivation factors such as (1) work itself and working conditions, (2) supervisor, (3) company itself and matter, (4) recognitions, (5) development and (6) pay and benefits. The study found that non-financial factors have a significantly higher impact on the employee's motivation than the financial factors.

The author Thi Bich Ngoc Luu (2013) based on two-factor theory of Herzberg to conduct a study on 136 staffs at 3 – 5 star hotels located in Ho Chi Minh, Vietnam. Her study showed that there are four factors most impacting on

employees motivation at the hotels on the extent of lower importance, including:

- (1) co-workers relations,
- (2) advancement,
- (3) working conditions and
- (4) work itself.

Besides, there were many others doing researches on the employee motivation such as the model of research Mohammad Kamal Hossain and Anowar Hossain (2012), the research of Shaemi Barzoki et al (2012), the model of Bhumika Gupta and Jeayaram Subramanian, Irum Shahzadi (2014).

C. Proposed Research Model

Based on the Herzberg's two-factor theory and the model of research Mohammad Kamal Hossain and Anowar Hossain (2012), researchers proposed that eight independent variables in which five following independent variables are derived from the model of research Mohammad Kamal Hossain and Anowar Hossain (2012):

- (1) benefits,
- (2) working conditions,
- (3) work itself,
- (4) supervisor, and
- (5) recognitions.

In addition, the author combines three independent variables derived from the results of other authors' research into the research model including:

- (6) Salary used in the model of Bhumika Gupta and Jeayaram Subramanian, Mohammend AL Doghhan and Sukaina Albar and Shaemi Barzoki et al.;
- (7) Co-worker used in the model of Thi Bich Ngoc Luu et al., Shaemi Barzoki et al.; and
- (8) Training and development used in the model of Bhumika Gupta and Jeayaram Subramanian, Irum Shahzadi et al., Thi Bich Ngoc Luu et al.

All independent variables above may affect the employee motivation (dependent variable) at the tourism companies. This study attempts to investigate the possible relationship among those variables.

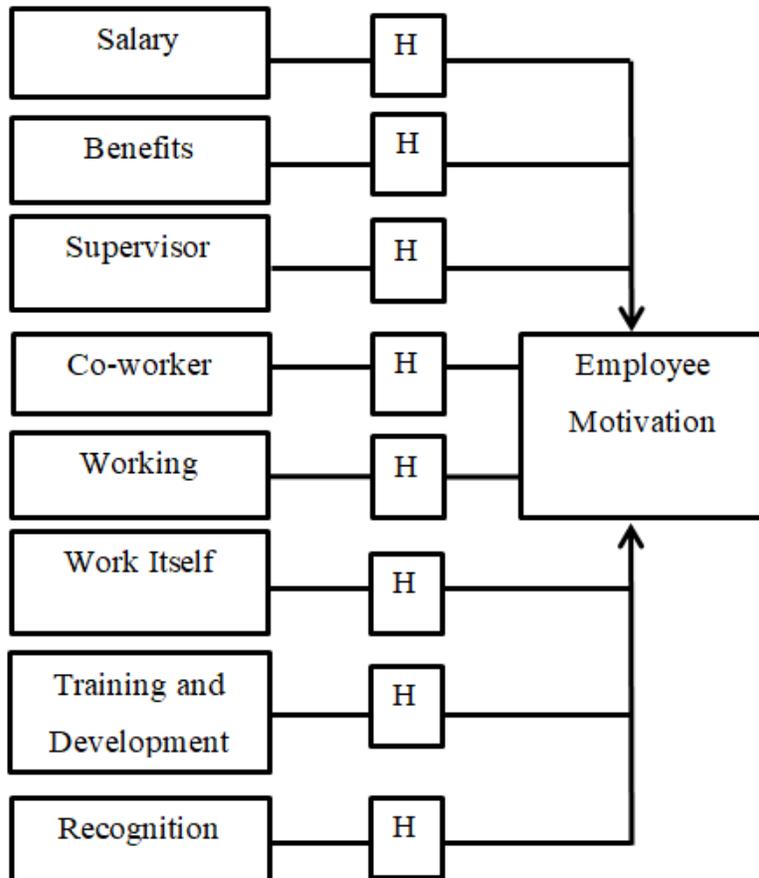


Fig 1:- The study's Proposed Theoretical Framework
Sources: Developed for the research

III. RESEARCH METHODOLOGY

A. Qualitative Research

After identifying the factors that influence employee motivation, we will interview the manager and the assistant or coordinators: Knowing that identifying the problem is a difficult task.

This study, an interview was done directly with 25 persons from different departments of two tourism companies, of whom ten were managers of departments such as Human Resource, Food and Beverage, Housekeeping, Human Resources Canteen and Golf Operation. The remaining 15 are assistants or coordinators of Human Resource, Food and Beverage, Housekeeping, Human Resources Canteen, Golf Operation and Sales & Marketing.

The scale used in the research model consists of eight influential factors (independent variables) and one employee motivation variable (dependent variable) with total 47 items.

B. Quantitative Research

Quantitative research was conducted as soon as the questionnaire was modified from qualitative research. This method provided descriptions of the variables in order to answer the research questions in the study. Survey design also allows comparisons between respondents giving the right

perspective on their opinion towards the employees' motivation. The choice of this technique was guided by the fact that the case study aims to generate findings, which would facilitate a general, understanding and interpretation of the problem.

The study population comprised a total of 869 employees from various organizational departments. The study population refers to the total collection of elements which one would like to study or make inferences.

IV. RESULTS

The objective of this part is to interpret and analyze the data collected in the research. The data will be analyzed with the aid of SPSS software version 20.0. Before quantitative data is analyzed, it must be edited, coded and transformed. The quantitative data research findings will investigate the impacts of the salary, benefits, work itself and environment, the working conditions, co-worker, supervisor, advancement, training and development, recognition towards employee motivation.

A. Cronbach's Alpha Reliability Test

To facilitate the viewing of research results, the author will summarize obtained results shown at the following table:

<i>Scale</i>	<i>Cronbach's Alpha</i>	<i>Number of Items</i>	<i>Strength of Association</i>
Salary	0.892	5	Good
Benefits	0.890	6	Good
Supervisor	0.900	9	Excellent
Co-worker	0.794	4	Conventional
Working conditions	0.797	4	Conventional
Work itself	0.881	4	Good
Training and Development	0.851	4	Good
Recognition	0.847	5	Good
Employees' motivation	0.896	6	Good

Table 1:- Interpretation of Cronbach's Alpha

Source:- Field Survey, April, 2018

According to the Table 1, Cronbach's Alpha values for each of the predictor variables are as follows: Salary ($\alpha = 0.892$); Benefits ($\alpha = 0.890$), Supervisor ($\alpha = 0.900$); Co-worker ($\alpha = 0.794$); Working conditions ($\alpha = 0.797$); Work itself ($\alpha = 0.881$); Training and Development ($\alpha = 0.851$) and Recognition ($\alpha = 0.847$). In addition, the Cronbach's

Alpha for the dependent variable (employees' motivation) is 0.896. All the eight variables and dependent variable are internal consistent and they are reliable as their reliability values exceeded the prescribed threshold of 0.7 which paved way for data analysis through results of Cronbach's Alpha statistics.

B. Testing the Factor Loading Coefficient of the Independent Variables

	Component							
	1	2	3	4	5	6	7	8
Make work fun place	.800							
Shows respect to employees	.759							
Performance appraisal is carried out fairly	.756							
Shows interest about your personal needs and problems	.753							
Give constructive feedback	.748							
Understands the problem facing at work	.732							
Takes time to listen to your concerns/ suggestions	.722							
Create the positive atmosphere and environment within workplace	.688							
Be impartial allocating working	.666							
Free meals in canteen, transportation and medical service		.835						
Free to visit Asia Park, Ba Na Hills		.826						
The company contribute a full range of insurance as prescribed of state regulations		.815						
Free golf course		.808						
Annual staff party and activities for the anniversary or special day		.786						
Material bonus		.719						
Salaries paid commensurate with the level of contributions, working capacity			.850					
Salaries fully to help you more comfortable life			.840					
Salary is paid to your bank account on time			.804					
Salaries fully to meet the needs of your life			.788					
Employees are satisfied with the company's pay system.			.767					
Your supervisor thanks or acknowledges your good work				.814				
Holding monthly or yearly social events				.814				
Receive informal praise and appreciation for better performance				.790				
Holds celebrations for success				.770				
Management appreciate as employee come up with new and better ideas				.708				
Reasonableness in work (not high/low pressure					.896			
Involvement in decisions making					.826			
Challenging work					.806			
Flexible working hour					.801			
Fair training and development policies						.856		
Your company has training programs that assists you to gain more working experience in the job that you are doing						.848		
Your company provides you with the opportunity to achieve your career goals						.833		
Your company is supportive your long-term career development (such as : time and cash)						.734		
All the necessary working tools are availed							.792	
The working environment is clean and hygiene							.768	
You do not worry about losing job							.748	
Safe and healthy working conditions are provided							.614	
Co-worker are trustworthy in work								.804
Colleagues inspire for you								.771
Co-worker are friendly								.753
You get support from your colleagues								.720

Table 2:- Rotated component matrix^a of the independent variables
Source:- Field Survey, April, 2018

According to the Table 2, factor loading coefficients are greater than 0.55, the scale of the eight independent variables are rotation converged in 7 iterations. The number of factors generated after the analysis is eight factors with a total of 47 items.

C. Adjusted Models

Through testing scale by EFA and Cronbach's' Alpha reliability, the author will adjust the original theoretical research model into following model includes eight factors that affect the employees' motivation in tourism companies and 47 observation variables which demonstrate for these factors.

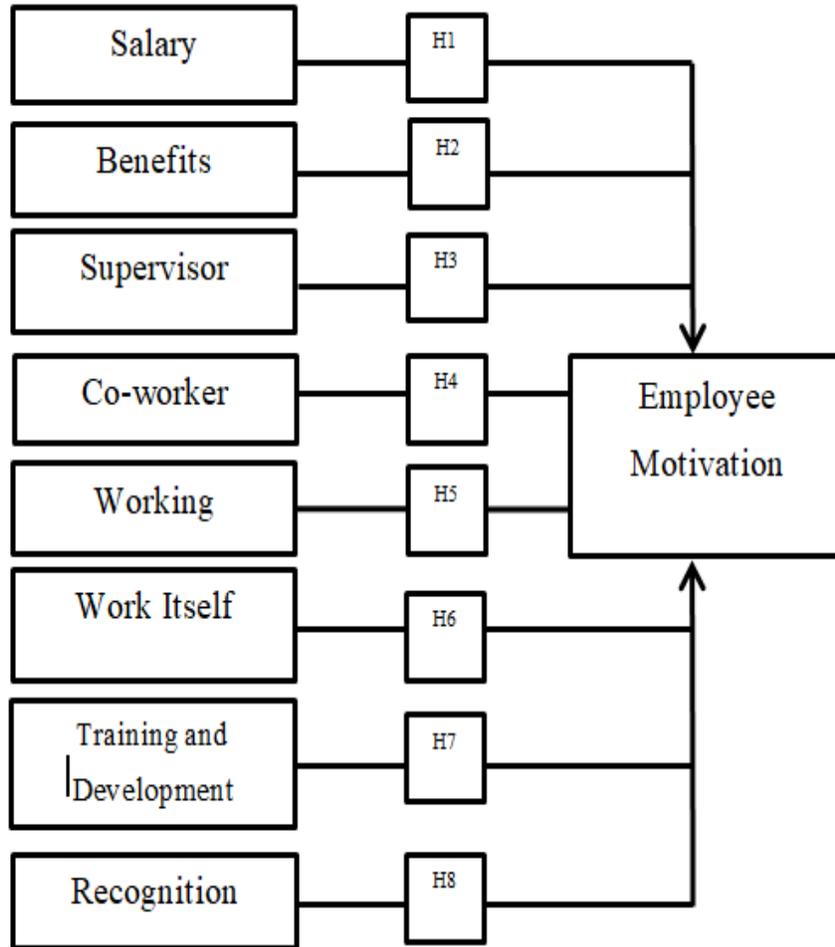


Fig 2:- The adjusted research model
Sources:- Developed for the research

And the study gives out following new research hypotheses:

- **H1:** The factor salary significantly and positively affects employee motivation at BHGC.
- **H2:** The factor benefits significantly and positively affects employee motivation at BHGC.
- **H3:** The factor supervisor significantly and positively affects employee motivation at BHGC.
- **H4:** The factor co-worker significantly and positively affects employee motivation at BHGC.
- **H5:** The factor working conditions significantly and positively affects employee motivation at BHGC.

- **H6:** The factor work itself significantly and positively affects employee motivation at BHGC.
- **H7:** The factor training and development significantly and positively affects employee motivation at BHGC.
- **H8:** The factor recognition significantly and positively affects employee motivation at BHGC.

D. Testing the Correlation Coefficient (R Value)

The Multiple Regression Analysis is used to determine the significant relationships between independent variables (salary, benefits, working conditions, work itself, recognition, supervisor, co-worker and training and development) and dependent variable (employee motivation).

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.742a	.550 b	.511	.276	1.701

Table 3:- Model Summary
Source:- Field Survey, April, 2018

a. Predictors: (Constant), Recognition, Supervisor, Work itself, Benefits, Working conditions, Co-worker, Training and Development, Salary

b. Dependent Variable: Employee Motivation

Based on the Model Summary Table 3, the correlation coefficient (R value) for this research is 0.742. This means that the dependent variable (employee motivation) strong

positively affects independent variable (salary, benefits, working conditions, work itself, recognition, supervisor, co-worker and training and development) because R value is positive value and 0.742 is fall under coefficient range ± 0.71 to ± 1 .

E. Testing the Anova

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	8.469	8	1.059	13.919	.000 ^b
Residual	6.921	91	.076		
Total	15.390	99			

Table 4:- Anova
Source:- Field Survey, April, 2018

- Dependent Variable:- Employee Motivation
- Predictors:- (Constant), Recognition, Supervisor, Work itself, Benefits, Working conditions, Co-worker, Training and Development, Salary

In the Anova table 4, it shows that the F value of 13.919 greater than 5 and the p-value is 0.00 which is less than 0.05 ($p < 0.05$) so significant at the 0.05 level. The significance value was-is less than 0.05, an indication that the model was-is significant. In overall the regression model with those eight independent variables of recognition, supervisor, work itself, benefits, working conditions, co-worker, training and development, salary is suitable for explaining the variation in employee motivation.

F. Develop Regression Equation with Standardized Coefficients

The standardized coefficients predict the influence level of independent variables (salary, benefits, supervisor, co-worker, working conditions, work itself, training and development and recognition) on employees' motivation in tourism companies. We can be determined by the following regression equation with standardized coefficients as below:

$$Y_{EM} = 0.257Sal + 0.190Ben + 0.141Sup + 0.314Cow + 0.235Wco + 0.222Wi + 0.440TaD + 0.207R$$

Or:

$$Employees' Motivation = 0.257Salary + 0.190Benefits + 0.141Supervisor + 0.314Co-worker + 0.235Working conditions + 0.222Work itself + 0.440Training and Development + 0.207Recongintion$$

V. CONCLUSION

According to the research findings and analysis, the author found that all the p-values for all the variables (47 items) were less than 0.05, an indication that all the factors (eight factors) which the author proposed in the research model is statistically significant to influence motivation of employees as follows:

The study also revealed that training and development is inextricably linked to the motivation of the workforce, thus concluding that training and development has a positive effect on employee's motivation in tourism companies. The study further reassured that co-worker is strongly influenced workers "behavior, giving co-worker a compelling reason to continue working for their employer and try their best to finish the assignment. The results also show that the salary ranks third in the total eight factors proposed by the author. The remaining factors as Work itself, Benefits, Supervisor, Working conditions and Recognition have little impact on employee motivation.

The results also showed that the evaluation of employee motivation on job is at a normal level with the average point = 3.0 in the five point Likert scale. This shows that the tourism companies need to try harder to improve their policies to increase motivation for employees.

RECOMMENDATIONS

In general, employees desire to be given opportunities of individual career development, therefore the company should establish appropriate policies of HR development and create opportunities for qualified individuals to promote in their career ladder such as: skills development programs, professional training courses a working environment with many positive challenges. The policies of HR development need to ensure the fairness, equal competitive opportunities for every employee, as well as make them feel motivated in their jobs.

It is a fact that co-workers are highly exposed to each other at work and in daily life, just behind their family. Therefore, colleagues play an important role in establishing influences on the motivation and performance of employees. Co-workers need to care and support each other in work and life. The effectiveness of coordination among employees is also supported by their direct managers. Therefore, supervisors need create a cheerful working context for employees.

Recently, although the salary system provided by tourism companies have been improved, there are still some problems affecting employee motivation at work. Actually, employees in tourism industry have to work under pressure to satisfy customers, however the average income is just enough to meet their basic demands. Therefore, in the coming time, the company needs to adjust the salary policy accordingly through revising its payment system to deserve effort of employees. With a higher income level, consistent with the current inflation situation, employees can increase their living standards. It will result in improving the staffs' motivation at work.

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