

# Examining the Impact of the Employee Motivation to the Organizational Commitment in General Insurance Corporations in Ho Chi Minh City, Vietnam

Vu Minh Hieu<sup>1</sup> & Pham Thi Cham<sup>2</sup>

**Abstract---** *Employee motivation and organizational commitment become an area of emergent concern in the literature and in the real world. This study is to explore the impact of employee motivation on the organizational commitment done in general insurance corporations in Ho Chi Minh City, Vietnam. The authors used secondary and primary data to elicit information from respondents. Secondary data has been collected from different sources in the works of literature and in the published magazine. The primary data is from the 250 respondents through surveyed questionnaires and three in-depth interviews with staff and head of department in the general insurance corporations in Ho Chi Minh City, Vietnam. The results show that employee motivation impacts organizational commitment. Furthermore, after the findings, the recommendations and implications to the business owners and managers have been established. The limitation and further study are also presented.*

**Keywords---** *Employee motivation, organizational commitment, general insurance corporations, Ho Chi Minh City, Vietnam.*

---

## I. INTRODUCTION

With the present's continuously and fast-changing global business environment and the rapid development of the world's economic globalization, it requires the organizations must frame their strategies to adapt those changes, sustain the competitions, and survive and achieve strategic goals. To overcome those challenges and achieve business goals, many businesses have aligned the human capital with strategic goal attainment in a way to maximize staff contributions and skills to present the best performance for the businesses. As recognized as the most fundamental advantages and asset of the organization, human capital can prevail [1]. Furthermore, Coff & Raffiee confirm human capital is critical for an organization to effectively achieve competitive advantages, meet an organization's mission goals, complete strategic goals effectively, attain financial improvement, increase market share, build the market reputation, satisfy customers better and other stakeholder constituents in a meaningful way [2]. Besides, the development of internal competency, capacity and employee commitment towards organizational objectives has been recognized as the critical matter to survive and compete in this rival business environment. Businesses are doing their best in understanding various factors of how to motivate employees and vouch for their required commitment towards organizational objectives. Highly-motivated employees

---

<sup>1</sup>Vu Minh Hieu, Ph.D, full-time lecturer of the Faculty of Business Administration, Van Lang University, Vietnam. Email: [yuminhhieu@vanlanguni.edu.vn](mailto:yuminhhieu@vanlanguni.edu.vn)

<sup>2</sup>Pham Thi Cham, MBA Student of Van Lang University, Vietnam. Email: [phamthichamkh@gmail.com](mailto:phamthichamkh@gmail.com)

contribute and provide more productive, dedicated and cooperative, on contrast, non-motivated workers own low production, change resistance [3]. This may be because of shortage of motivation and commitment in organization and also job satisfaction [4].

By the end of 2018, in Vietnam, there are 30 general (non-life) insurance enterprises, 01 branch of foreign non-life insurance enterprises, and 02 re-insurance corporations. And its market has had a dramatic change in recent years. By the end of September 20, 2019, general insurance premium revenue reached VND 37,299 billion, up 12% due to the same period last year - 2018. The market demand for general insurance is highly due to the young population and the low ratio of insurance (about 1.3% compared to 3% - 4 % in growing market area – its equivalence of USD 21 per person against USD 70 per person) [5]. In terms of the structure of human resources, less than 3 years' experienced staff accounts for more than 50% of the labor force in insurance companies, about 5% for 3-5 years' experience. Besides, 50% of insurance employees quit their jobs after 3 years. Also, there is the workplace movement of the staff among businesses tending to increase. In addition, in relation to insurance agents, 50% of agents leave their jobs in the first 6 months of their employment. In the face of significant personnel fluctuations, it is necessary to formulate appropriate policies to retain talents and make them stay with organization for a long time. Therefore, it is urgent to study and understand the factors which motivate and create job satisfaction among employees. This study seeks to understand the impact of motivation factors on employee engagement in aiming to provide managers with specific and detailed details on the factors affecting employee motivation which recommend related administrators to establish appropriate policies of enhancement of employees' engagement to achieve the company's overall goals.

## II. LITERATURE REVIEW

### **Understanding the motivation concept**

The term “motivation” has various definitions and most of them are crucially focusing on those relating to the workplace. “Motivation” begins with the word “Motive” which means needs, desires, wants or drives within the individuals. It is the process of stimulating people to actions to complete the goals, as in the work goal context, those stimulators can be as desire for money; success; recognition; job satisfaction; and team work, etc.[6].

Nahavandi et al. determines motivation is a psychological attribute to clarify people's behaviors in particular ways [7]. The theories of working motivation show a person's motivation is determined by their unique characteristics like needs, traits, and values [8][9], context as culture and job design characteristics [8][9], and a person's cognitive evaluation as person-context fit, the expectation of the result, and self-efficacy [8][9]. Without adornment, motivation can make people to work positively. Motivation occurs when an individual has a particular need which has been aroused in which the main goal is to seek satisfaction of this need [10]. Also found by Solomon et al., motivation happens when a person owns a specific-aroused need which goal is mainly to satisfy this need [10]. Motivation is considered as a basic factor in which a person expresses certain behaviors, actions, and specific desires and known as a cycle impacting their cognitive thoughts, actions, and performance [11]. As defined in literature, motivation are differentiated as being intrinsic or extrinsic motivations [12][13]. of which intrinsic motivations refers to behavior that is driven by personal internal rewards by engaging in the behavior and extrinsic motivation involves engaging in a behavior to achieve external rewards or avoid punishment [14][15].

Furthermore, as confirmed by Khan & Iqbal, there are four intrinsic motivational factors as interesting work, job appreciation, job satisfaction, stress and four extrinsic motivational factors as job security, promotion & growth, good wages, recognition [16]. Motivation positively and ultimately affects the organizational performance at individual and

group levels [17], raises the morale and satisfaction of the employees to achieve goal achievement [18], creates the positive organizational behavior [19], keeps employee morale high [20], leads and helps to motivate and to influence other employees [21], creates a competitive edge [22], and promotes innovation at work [23]. In addition, Varma confirms that the motivation will unify the direction of the group/teams, creates a higher level of effectiveness and efficiency, elevates organizational commitment, optimize the use of resources, build a performance-oriented environment focusing on the creative & innovative activities, increase organization ability to face uncertain business challenges, and provide employee retention and attraction for stable and continuous manpower supply [24].

### **Exploring the concept of Organizational Commitment (OC)**

To date, the literature of “organizational commitment” has greatly developed in industrial and organizational psychology [25] and it is a key area for research [26]. The term “commitment” is also defined in various ways [27]. “Commitment” is described as attachment and loyalty [27]. In the study of Reio & Reio, organizational commitment is the relative strength of an individual’s identification and organizational involvement [28]. Patheja defines organizational commitment as “as an organizational member's psychological attachment to the organization” and plays “a very large role in determining whether a member will stay with the organization and zealously work towards organizational goals” [29]. Furthermore, organizational commitment is also used as predictors of employee retention [30]. Dinçer et al. point out the so-called “organizational commitment” as the employee's feeling of attachment to the organization and things as role stress, salary, social rights, empowerment, organizational trust, job insecurity, organizational justice and distribution of leadership are linked to an employee's sense of organizational commitment [31]. Besides, organizational commitment is as a force of connection – a psychological or attitude stage – with the goals and values of the organization on a determination of the direction of an individual’s behavior towards the employer organization at aiming to benefit it [32]. Additionally, Kasemsap states organizational commitment as the strength of the feeling of responsibility of which an employee reserve for the organizational mission [33]. Along with that idea, Gordon adds employee commitment to an organization’s vision, mission and strategic initiatives gone through the individual’s citizenship and production [34]. Also, organizational commitment concerns the level of the employees recognized themselves that they belong to (or parts of it) and feel its attachment to the organization [35]. Besides, organizational commitment is defined by Yaslioglu as the employees' willingness to identify with the goals and values of the organization at the workplace and to strive for the organization [36]. According to Dede, organizational commitment is “the psychological condition that reflects the relationship between individuals and organizations, which is necessary for employees to go beyond what is defined in the contract and to demonstrate discretionary behaviors that will benefit the organization in achieving its goals” [37] and Toksoz et al. present “organizational commitment as the concept of employees believing in the aims and values of the organization, working hard to achieve the objectives of the enterprise, expressing their willingness to maintain membership of the organization” [38].

Accordingly, Allen & Meyer create a conceptual model of three distinct components on the organizational commitment as (1) Affective commitment (AC); (2) normative commitment (NC); and (3) continuance commitment (CC) [39] which has been affirmed by Singh & Gupta [40] as follows:

The affective commitment is with the choice to remain committed to the organization by some emotional identification [39][40];

A normative commitment is the feelings of the obligation of the individual upon the perceived attachment to the organizational goals [39][40];

The continuance commitment is the degree in which an employee feels committed by their own economics [41][39].

In term of the contributions of the organizational commitment to the organization results, workplace commitment influences on organizational effectiveness and efficiency [42]. Furthermore, achieving employee commitment to the organization is crucial and central to modern human resource management and organization success [26]. Besides, Because, it is highly valuable and impact strongly on the successful performance of an organization [27]. Employees have their commitment and develop it in the organization, the better organizational performance is completely created because their emotional linkages to their career, relationships with other employees and the organization exist, they perform and serve the organization better [43]. Successful organizations are pursuant to their employees' high performance to achieve their objectives and to reach their strategic aims and keep their competitive advantage [44]. Moreover, other studies have shown that high commitment practices can work well and reflect a general commitment strategy [45] and improve performance, labor productivity and the quality of service [45].

In the past, organizational commitment is associated positively with numerous desired results as job satisfaction [46][47], motivations [48] and attendance [49][50]. On the other hand, organizational commitment also shows a negative correlation with other results as absenteeism and turnover [51][52]. Furthermore, the increased commitment creates the willingness to have long-hour employment, high effectiveness, and productivity, and absenteeism and turnover ratio decrease at the workplace [53][54][55]. On the other side, Meyer et al. show the unrelated or negative relationship between organizational commitment and organizational performance [56]. Namely, in numerous studies as those by Allen & Meyer [39], Mathieu & Zajac [49], Muchinsky [57], the relationship between organizational commitment and turnover intentions have a strong negative effect on turnover intention. More recent studies highlight the positive correlation between organizational commitment and Organizational Citizenship Behavior [56], willingness to share knowledge and engagement in extra-role behavior [58].

#### **Exploring various theories models of Motivation**

There are many research models of employee motivation in different disciplines of business, sociology and psychology. However, current development of motivation theory is based on the researches of conventional quantitative analysis as multiple regression analysis and structural equation modeling [59][60][61]. More of that, Alimohammadi & Neyshabor is to analyze the relationship between employees' work motivation and organizational commitment and the result affirms work motivation influences significantly and positively on organizational commitment of employees [62]. And, Dwivedula et al. investigates the relationship between employment motivation, organizational commitment and professional commitment in temporary organizations with the result showing characteristics of the temporary organization, specifically tenure and task regulate the relationships of work motivation, organizational commitment, and professional commitment [63].

As in the past study, Wiley shows the factors impacting to the employee motivation as Full appreciation of work done, Feeling of being in on thing, Sympathetic help with personal problems, Job security, Good wages, Interesting work, Promotion and growth in the organization, Personal loyalty to employees , Good working conditions, Tactful discipline [64]. The result also confirm that “Good wage” and “Full appreciation for work done” have made the strongest impact on employee motivation. Later, Dung et al. has done his study with Wiley’s model in Vietnam and the result shows that “Job security” is not highly appreciated and the factor “Tactful discipline” does not have a positive effect on the motivation [65]. As for Dung & Abraham [66], the relationship between job satisfaction and organizational commitment has been studied through 3 factors of organizational commitment as pride, loyal and effort and 5 factors of job satisfaction as work, salary, co-worker, supervisor, and promotion and the findings show Organizational commitment affects job satisfaction in which factors “supervisor, pride, work, effort” are the most influential. In term of “Measurement scale of employee motivation”

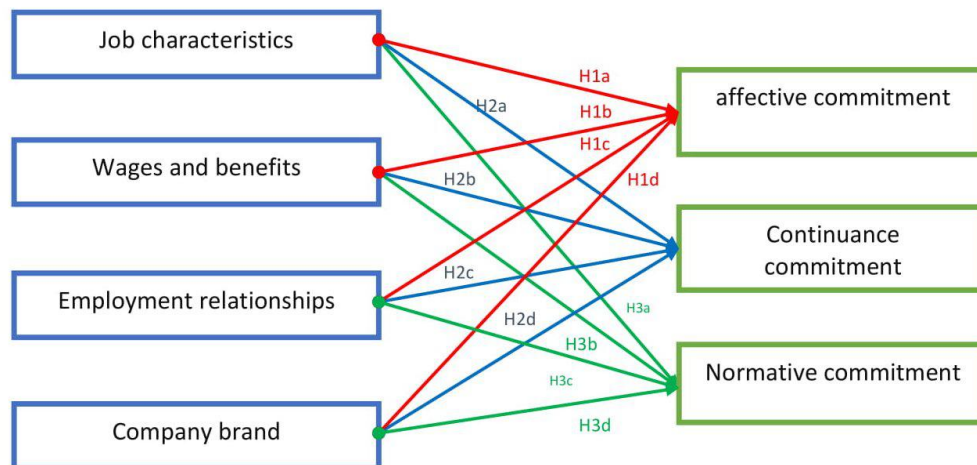
done by Dung & Vy [67], he results show there are 4 components as “suitable work”, “reasonable policies of compensation, benefits, promotions”, “Good relationship” and “company brand” in which the scale “reasonable policies of compensation, benefits, promotions” has the strongest impact on staff motivation. With this study, Dung & Vy confirms a new factor of Company brand which is to determine the “company brand” importance to the organization performance and it requires companies’ managers to change the motivation approaches to employees [67]. In case, employees will pride and appreciate the reputation of the company brand and surely, they feel motivated at work. More of that, Khai & Truc shows the factors that influence perceived value including training and development, internal communications, organizational relationships, job satisfaction, direct managers, salaries and benefits, and perceptions of employees on performance appraisal, and perceived value impacts on employee commitment and the study also points out the difference in organization engagement among company types, employee rankings, seniority and employee income [68]. In addition, Khanh & Long affirm "Staff Evaluation", "Work Definition", "Training, Compensation and Wages", "Recruiting" are crucial factors with significant and positive impacts on employee commitment [69].

**The suggested research model**

Through the above analysis from aforementioned research models, factors such as wages and salaries, bonuses, benefits, promotions, and jobs have significant positive effects on motivation; meaning that they are factors to motivate employees to work and serve as foundations to achieve the organizational commitment, create conditions for harmonious and stable relationships, contribute to creativity and professional promotion of employees to achieve high productivity and quality at work. In addition, relationships in the organization affects the employee's motivation and psychology in which manager is as intermediaries to help the organization leverage employees' capabilities and make them feel valuable to the organization and contribute more and more to the organization success.

With the current economic development, the company brand is one of the attractive factors for attracting and retaining talents [70][71]. In the field of insurance, the exception is not existing, big branding insurance businesses have a positive impact on the trend of employee engagement. As a consequence, Dung & Vy add the factor “company brand” in the model which is very suitable for the research scope of insurance industry [67]. Therefore, the research model is formed as follows

Figure: Research model



Source: Own (2020)

Hypothesis is established as follows

- Hypothesis group H1: The motivation factors impact on the affective commitment in the organization.

- H1a: The wages and benefits are reasonable, the affective commitment will be increased.
- H1b: The job is suitable, the affective commitment will be increased.
- H1c: The employment relationships are good, the affective commitment will be increased.
- H1d: The company brand develops, the affective commitment will be increased.

Hypothesis Group H2: The motivation factors impact on the continuance commitment in the organization.

- H2a: the wages and benefits are reasonable, the continuance commitment will be increased.
- H2b: The job is suitable, the continuance commitment will be increased.
- H2c: The employment relationships are good, the continuance commitment will be increased.
- H2d: The company brand develops, the continuance commitment will be increased.

Hypothesis group H3: The motivation factors impact on the normative commitment in the organization.

- H3a: The wages and benefits are reasonable, the normative commitment will be increased.
- H3b: The job is suitable, the normative commitment will be increased.
- H3c: The employment relationships are good, the normative commitment will be increased.
- H3d: The company brand develops, the normative commitment will be increased.

### III. DATA COLLECTION

To achieve the study objective, the study employs the secondary data and primary data from the two research phrases with qualitative and quantitative methods.

- In the first phrase, the study is conducted with qualitative methods in 2 techniques. The first one is the content analysis to explore and determine factors impacting on motivation and commitment in the businesses from the related literature and theories in the scope of motivation and commitment in the journals. Later, the 5 group discussions and 3 in-depths structured interviews with 20 persons who are human resources staff and heads of departments in businesses have been completed to gain a deep understanding of the measurement scales (observed variables) of the four motivational factors and the three commitment factors.

- In the second phrase, it is mainly for the quantitative method through the questionnaires survey and three in-dept interviews. After gaining the results from the qualitative method, the authors establish the questionnaires as the key tool to collect data. The questionnaire content is adapted from previous works of literature on the related topics [66][67][63][68][69][72]. Later, three questionnaire pilot tests have been taken place with 10 staff to check comprehensibility and deliver feedbacks to improve the clarity of the questionnaire before conducting on the broad scale. After the survey using questionnaires, the data is processed and analyzed with statistical methods as Cronbach's Alpha, EFA, T-Test, ANOVA, etc. for answering research questions. After all, the three in-dept interviews with head of departments on the study findings is to present and seek the confirmation of the results.

In terms of the sampling technique and sample size, the study uses 250 surveyed questionnaires with the staff in the 4 general insurance corporations/ businesses in Ho Chi Minh city. In addition, it should be explained that the sampling technique in this study is the convenience technique. The sample size is determined at 250 because Hair et al. defines the sample size should be as  $N = 5 * \text{item}$  (where item means observed variables) [73] and Tabachnick & Fidell confirms the sample size should be as  $N = 8 * \text{var} + 50$  (where var means independence variables using in the regression model) [74][75].

### IV. DATA ANALYSIS

Table: Cronbach's Alpha results of the components of motivation factor

Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Wages and benefits				Cronbach's Alpha = ,843
CD_1	22,11	10,550	,511	,832
CD_2	21,96	10,037	,588	,823
CD_3	22,45	10,309	,555	,827
CD_4	22,74	10,186	,572	,825
CD_5	22,61	10,213	,653	,815
CD_6	22,74	10,757	,513	,832
CD_7	22,56	10,264	,666	,814
CD_8	22,45	10,101	,566	,826
Job Characteristics				Cronbach's Alpha = ,851
CV_1	16,21	6,297	,564	,846
CV_2	16,03	6,674	,607	,831
CV_3	15,93	7,138	,534	,844
CV_4	16,22	6,201	,754	,802
CV_5	16,29	6,286	,735	,806
CV_6	15,84	6,995	,664	,824
Employment relationships				Cronbach's Alpha = ,881
QH_1	21,77	22,353	,585	,872
QH_2	21,53	22,267	,599	,871
QH_3	21,53	22,518	,579	,873
QH_4	21,96	20,739	,715	,859
QH_5	21,55	21,539	,700	,861
QH_6	21,74	21,032	,647	,866
QH_7	21,69	21,799	,669	,864

QH_8	21,93	21,173	,673	,863
Company brand			Cronbach's Alpha = ,859	
TH_1	11,64	4,785	,761	,809
TH_2	12,19	4,737	,721	,818
TH_3	11,69	4,828	,760	,810
TH_4	12,24	4,989	,576	,857
TH_5	12,02	5,060	,582	,854

Source: Own (2020)

The results depict the motivation factor as Wage and benefits, job characteristics, employment relationships, company brand that meet the requirements for reliability Cronbach's Alpha as Cronbach's Alpha is at least  $> 0.6$ .

Table: Summary of reliability coefficient of motivation factor

No.	Items	N of Items	Cronbach's Alpha	Lowest Item-Total Correlation
1	Wages & benefits	8	,843	,511
2	Job Characteristics	6	,851	,534
3	Employment relationships	8	,881	,579
4	Company brand	5	,859	,576

Source: Own (2020)

Table: Results of Cronbach's Alpha of the components of Commitment factor

Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Affective commitment				Cronbach's Alpha = ,877
GBTC_1	9,51	1,927	,686	,861
GBTC_2	9,52	1,839	,762	,831
GBTC_3	9,52	1,796	,802	,815
GBTC_4	9,52	1,921	,689	,860
Continuance commitment				Cronbach's Alpha = ,897



GBDT_1	10,38	2,642	,790	,861
GBDT_2	10,37	2,658	,764	,871
GBDT_3	10,37	2,631	,741	,879
GBDT_4	10,40	2,574	,794	,859
Normative commitment				Cronbach's Alpha = ,831
GBTN_1	9,21	1,639	,706	,766
GBTN_2	9,22	1,762	,601	,813
GBTN_3	9,23	1,757	,674	,782
GBTN_4	9,19	1,605	,664	,786

Source: Own (2020)

The result shows the Cronbach's Alphas of Affective commitment is at 0.887; Continuance commitment is at 0.897; Normative commitment is at 0.831. As such, the commitment factor meets reliability requirements.

Table: Summary of the reliability coefficients of Commitment factor

No.	Items	N of Items	Cronbach's Alpha	Lowest Item-Total Correlation
1	Affective commitment	4	,877	,686
2	Continuance commitment	4	,897	,741
3	Normative commitment	4	,831	,601

Source: Own (2020)

Furthermore, the EFA test is done with 27 observed variables of the 4 factors of motivation, and the result shows that 4 factors with 27 observed variables achieve the reliability and validity.

Table: EFA results of motivation scales

Items	Components				Factors
	1	2	3	4	
QH_4	,792				Employment relationships
QH_5	,785				
QH_7	,761				

QH_8	,758				
QH_6	,732				
QH_2	,694				
QH_3	,680				
QH_1	,678				
CD_5		,758			Wages & benefits
CD_7		,756			
CD_8		,687			
CD_4		,641			
CD_3		,625			
CD_6		,622			
CD_2		,614			
CD_1		,570			
CV_4			,822		Job Characteristics
CV_5			,814		
CV_6			,718		
CV_2			,674		
CV_1			,673		
CV_3			,592		
TH_1				,865	Company brand
TH_3				,863	
TH_2				,818	
TH_4				,735	
TH_5				,666	

Source: Own (2020)

The results of the correlation coefficient analysis shown in the following table depicts that the independent and dependent variables are correlated with each other. This proves that they have a linear relationship with each other.

Table: Correlations

		Wages & benefits	Job characteristics	Employment relationships	Company brand	Affective commitment	Continuance Commitment	Normative commitment
Wages & benefits	Pearson Correlation	1	,554(**)	,164(*)	,216(**)	,561(**)	,483(**)	,544(**)
	Sig. (2-tailed)		,000	,012	,001	,000	,000	,000
	N	232	232	232	232	232	232	232
Job characteristics	Pearson Correlation	,554(**)	1	,045	,242(**)	,487(**)	,406(**)	,436(**)
	Sig. (2-tailed)	,000		,491	,000	,000	,000	,000
	N	232	232	232	232	232	232	232
Employment relationships	Pearson Correlation	,164(*)	,045	1	,087	,511(**)	,456(**)	,514(**)
	Sig. (2-tailed)	,012	,491		,185	,000	,000	,000
	N	232	232	232	232	232	232	232
Company brand	Pearson Correlation	,216(**)	,242(**)	,087	1	,371(**)	,402(**)	,338(**)
	Sig. (2-tailed)	,001	,000	,185		,000	,000	,000
	N	232	232	232	232	232	232	232
Affective commitment	Pearson Correlation	,561(**)	,487(**)	,511(**)	,371(**)	1	,469(**)	,599(**)
	Sig. (2-tailed)	,000	,000	,000	,000		,000	,000
	N	232	232	232	232	232	232	232
Continuance Commitment	Pearson Correlation	,483(**)	,406(**)	,456(**)	,402(**)	,469(**)	1	,388(**)
	Sig. (2-tailed)	,000	,000	,000	,000	,000		,000
	N	232	232	232	232	232	232	232
Normative commitment	Pearson Correlation	,544(**)	,436(**)	,514(**)	,338(**)	,599(**)	,388(**)	1
	Sig. (2-tailed)	,000	,000	,000	,000	,000	,000	
	N	232	232	232	232	232	232	232

\* Correlation is significant at the 0.01 level (2-tailed).

° Correlation is significant at the 0.05 level (2-tailed).

Source: Own (2020)

From the regression results, the factor “motivation” including wages and benefits, job characteristics, employment relationships, and company brand affects the commitment factor which are statistically significant and the impact level is summarized as follows:

Table: Summary of results of the statistics of the impact of motivation factors on the commitment factors (standardized Beta)

Items	Affective commitment H1	Continuance Commitment H2	Normative commitment H3
Wages and benefits	,310	,265	,327
Job characteristics	,245	,177	,190
Employment relationships	,430	,381	,436
Company brand	,207	,269	,183

Source: Own (2020)

Table: Summary of results of regression analysis

Items	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Affective commitment	1	,768a	,590	,583	,28861
Normative commitment	1	,739a	,547	,539	,28647
Continuance commitment	1	,694a	,482	,473	,38566

Source: Own (2020)

## V. STUDY RESULTS, SUMMARY AND CONTRIBUTION

The study results show 4 factors of motivation have a positive effect on 3 factors of commitment and their significant levels reach to 95%, therefore, the hypotheses: H1, H2, H3 are accepted and supported; specifically:

- As of the affective commitment, (GBTC), the “employment relationships” factor has the strongest impact with  $\beta = 0.430$ , showing that a good and friendly working environment is an important factor. The followings are the factor “wages and benefits” with  $\beta$  at 0.310, the “job characteristics” factor with  $\beta$  at 0.245, and “company brand” factor with  $\beta$  at 0.207.
- In terms of continuance commitment, the factor “employment relationships” is also the strongest impact factor with  $\beta$  at 0.371. This is to re-confirm the importance of a good and friendly working environment for organizational commitment. The second strongest impact factor is the “company brand” with  $\beta$  at 0.262. The third is “wages and benefits” with  $\beta$  at 0.245, and the last is “job characteristics” factor with  $\beta$  at 0.177.
- Regarding the normative commitment, The “employment relationships” factor is still the strongest influential factor with  $\beta = 0.436$ . This is continuing to confirm the importance of the good and friendly working environment for the organizational commitment, The factor “wages and benefits” is the second strongest factor with  $\beta$  at 0.332. The third is the factor “job characteristics” with  $\beta$  at 0.190, and the lowest influential factor is the “company brand” of  $\beta$  at 0.183.
- Through the regression analysis results with 3 dependent variables as affective commitment, continuance commitment, and normative commitment, the result shows the affective commitment with  $R^2 = 0.590$  is the strongest, as a consequence, this can be concluded that the affective commitment plays the most crucial role to create the employee's commitment in the organization. In addition, the result confirms the “employment relationships” factor always owns the strongest impact on three of commitment factors as affective commitment, continuance commitment, and normative commitment. Therefore, to attract and retain talents in a highly competitive and rapidly changing environment, the organizational culture environment should be more paid attention and improved to be better.

## VI. Recommendations for businesses

From the findings, the empirical evidence of factors motivation impacting on employee commitment, it is recommended for businesses in building and developing a corporate culture to promote positive employees' behaviors,

improve productivity, and create competitive advantages. More of that, the recommendations are aiming to maintain and attract human resources, especially to the talents. The recommendations are detailed as follows

- Firstly, businesses should focus on and encourage communication within the organization, which promotes the exchange of information to support each other and create favorable conditions for job completion. As known, the two-way communication between superiors and subordinates will help employees obtain information or feedback to perform and improve their tasks. Thus, it is necessary to concentrate on the establishment and development of a friendly employment environment.
- Secondly, training and development activities (T&D) should be conducted because this is a strategic weapon for the long-term profit and sustainable development of the businesses. As proven in the literature, T&D is also considered as a tool of motivation and maintenance of the talents in the businesses.
- Thirdly, the creativity and innovation activities should be formulated and developed in businesses in the organization. As indicated in the study of Håkansson & Waluszewski, the creativity and innovation activities are really important and necessary in today's fiercely competitive environment and it becomes a prerequisite for the existence and development of businesses [76].
- Fourthly as the last, as of the above analysis, the “brand” factor has a strong impact on the organizational commitment of the employees, thus, businesses require to set up clear direction and branding strategy in the future and represent the organization's long-term vision. The sharing of the corporate strategies and goals helps employees better understand the organization's operations and join with the organization activities, and contribute to the overall success of the organization's future.

## VII. Conclusion

The study is conducted based on the theories of motivation and commitment in the organization, and used is quantitative research including two main study phrases. The study determines the 4 factors of motivation as (1) Wages and benefits, (2) Job characteristics (3) Employment relationships, and (4) company brand and the 3 factors of commitments as the affective commitment, continuance commitment and normative commitment. The results show there is the impact of motivation factors on commitment factors with the three accepted hypotheses. From that point of view, some of recommendation and implications in terms of the motivation and commitment enhancements have been established to the businesses owners/ managers. However, there is the limitations of the study. The first limitation is on sample size. The study is done with the small sample and in case, the result can be more accurate with the larger sample size. The second is that the measurement scales are developed from the adaption of the domestic studies. Therefore, the limitations will open the further studies to contribute to the practice and theory of business management.

## REFERENCES

- [1] Armstrong, M. (2007). *A Handbook of employee reward management and practice*. Kogan Page Publishers.
- [2] Coff, R. & Raffiee, J. (2015). Toward a theory of perceived firm-specific human capital, *Academy of Management Executive*, 2015(3), pp.326-341
- [3] Hiriyappa, B. (2010). *Management of motivation - Kindle edition*. Amazon.com Services LLC.
- [4] Singh, S.K & Tiwari, V. (2011). Relationship between motivation and job satisfaction of the white collar employees: A case study. *Management Insight*, 7(20), 31-39.
- [5] Phan Assurance agency - PAA (2020). *Market of general insurance in Vietnam. (in Vietnamese)*. Retrieved from <https://paa.vn/thi-truong-bao-hiem-phi-nhan-tho-tai-viet-nam-nam-2020#thi-truong-bao-hiem-phi-nhan-tho-tang-truong-qua-cac-nam>.

- [6] Management Study Guide (2020). *What is motivation*. Retrieved from [https://www.managementstudyguide.com/what\\_is\\_motivation.htm](https://www.managementstudyguide.com/what_is_motivation.htm)
- [7] Nahavandi, A., Denhardt, R.B., Denhardt, J.V., & Aristinguetta, M.B. (2015). *Organizational behavior*. Los Angeles: Sage.
- [8] Steers, R.M., Mowday, R.T. & Shapiro, D.L. (2004). The future of work motivation theory. *Academy of management review*, 29(3), 379-387
- [9] Latham, G.P. & Pinder, C.C. (2005) Work motivation theory and research at the dawn of the twenty-first century. *Annual review of psychology* 56, 485-516.
- [10] Solomon, M., Bamossy, G., Askegaard, S. & Hogg, M.K. (2006). *Consumer behavior; A European perspective (3rd ed)*. London: Prentice Hall-Financial Times.
- [11] Weiten, W. & Lloyd, M.A. (2010). *Psychology applied to modern life: adjustment in the 21st Century (8th ed)*. Wadsworth Publishing
- [12] Ryan, R.M & Deci, E.L (2000). Self-determination theory and the facilitation of intrinsic motivation, social development and well-being. *American psychologist* 55, 68-78.
- [13] Gagné, M. & Deci, E. (2005). Self-Determination Theory and Work Motivation. *Journal of organizational behavior*, 26(4), 331 – 362.
- [14] Gkorezis, P. & Petridou, E. (2008). Employees' psychological empowerment via intrinsic and extrinsic rewards. *Academy of health care management journal*, 4(1), 17-38.
- [15] King, P.W. (2009). *Climbing Maslow's pyramid: choosing your own path through life*. Leicester: Matador.
- [16] Khan, W. & Iqbal, Y. (2013). *An Investigation of the relationship between work motivation - intrinsic*. Master thesis: Umeå School of Business Umeå University.
- [17] Risambessy, A., Swasto, B., Thoyib, A. & Astuti, S.E. (2012). The Influence of transformational leadership style, motivation, burnout towards job satisfaction and employee performance. *Journal of basic and applied scientific research*, 2(9), 8833-8842.
- [18] Later, A.S & Jain, S. (2005). Motivation and job satisfaction: A study of Associates of public and private sector". *Delhi business review*, 6(1), 77-84.
- [19] Roos, W. & Van Eeden, R. (2008). The relationship between employee motivation, job satisfaction and corporate culture. *South African journal of industrial psychology*, 34(1), 54-63.
- [20] Kumar, N. & Garg, P. (2011). Impact of motivational factors on employee's job satisfaction- A study on some selected organization in Punjab, India. *Asian journal of management research*, 672(2), 672-683.
- [21] Jeffrey, L.H., Deal, J.J., Lopez, J., Gentry, A.W., Shively, S., Ruderman, M., & Zukin, L. (2011). *Motivated by the organization's mission or their career? implications for leaders in turbulent times*. Booz | Allen | Hamilton: Center for Creative Leadership.
- [22] Chen, Y.S., Chang, C.H., & Wu, F.S. (2012). Origins of green innovations: The differences between proactive and reactive green innovations. *Management decision*, 50(3), 368–398.
- [23] Loscocco, K.A. (1989). The instrumentally oriented factory worker: Myth or reality?. *Work and occupations*, 16(1), 3–25.
- [24] Varma, C. (2017). Importance of employee motivation & job satisfaction for organizational performance. *International journal of social science & interdisciplinary research*, 6(2), 10-20
- [25] Cohen, A. (2003). *Multiple commitments in the workplace: An integrative approach*. Mahwah, New Jersey: Lawrence Erlbaum Associates.
- [26] McBain, R. (2005). *Employee commitment*. Henley Manager Update, 17(1). 23-33.
- [27] Nehmeh, R. (2009). *What is Organizational commitment, why should managers want it in their workforce and is there any cost-effective way to secure it?*. SMC Working Paper, 5(2009). Swiss Management Center.
- [28] Reio, G.T & Reio, M.S.(2012). Workplace Incivility in Schools In Victor X. Wang of *Encyclopedia of e-leadership, counseling and training*, IGI Global Publisher 65-77.
- [29] Patheja, S. (2015). Career stage effect on organizational commitment in corporate sector. *International journal of applied research*, 1(12), 538-540.
- [30] Idris, A. (2014). Flexible working as an employee retention strategy in developing countries: Malaysian bank managers speak. *Journal of management research*, 14(2), 71-86.
- [31] Dinçer, H., Ümit Hacıoğlu, U. & Tuğsal, T. (2015). The effect of low employee turnover ratio on bank profitability in Turkey In Ulas Akkucuk of *Handbook of research on developing sustainable value in economics, finance, and marketing*, 324-340. IGI Global Publisher 147-167
- [32] Carlos, V.S & Rodrigues, R.G (2016). The use of online social networks in higher education and its influence on job performance, In Anthony H. Normore, Larry W. Long and Mitch Javidi of the book *Handbook of research on effective communication, leadership, and conflict resolution*, 330-353, IGI Global Publisher.
- [33] Kasemsap, K. (2017). Exploring the Role of organizational justice in the modern workplace In Bryan Christiansen and Harish C. Chandan of *Handbook of research on organizational culture and diversity in the modern workforce*, 323-345. IGI Global Publisher.

- [34] Gordon, K. (2017). The impact of improved organizational citizenship on employee retention In Victor X. Wang of *Encyclopedia of strategic leadership and management*, IGI Global Publisher 1128 - 1139.
- [35] Lopes Rijo, R.P.C.& Alves, D. (2018). Software evaluation from the perspective of patients and healthcare professionals In Mehdi Khosrow-Pour et al. of *Encyclopedia of information science and technology, Fourth Edition*, IGI Global Publisher 3782-3793.
- [36] Yaslioglu, D.T. (2019). *A systematic review of the correlates and outcomes of employee engagement*. Istanbul University, Turkey - IGI Global Publisher
- [37] Dede, N.P (2019). Enhancing employee innovative work behavior through human resource management practices, In Hasan Dinçer and Serhat Yüksel in *Handbook of research on managerial thinking in global business economics*, 1-21 IGI Global Publisher.
- [38] Toksoz, D., Dalgic, A. & Birdir, K. (2020). Job crafting for tourism employees: conceptual overview, dimensions, antecedents, and consequences In Şule Aydin, Bekir Bora Dedeoglu and Ömer Çoban of *Organizational behavior challenges in the tourism industry*, IGI Global Publisher 147-167.
- [39] Allen, N.J. & Meyer P.J. (1990). The measurement and antecedents of affirmative, continuance and normative commitment to the organization. *Journal of occupational psychology* 63, 1-18.
- [40] Singh, A. & Gupta, B. (2015). Job involvement, organizational commitment, professional commitment, and team commitment: A study of generational diversity. *Benchmarking: An international journal*, 22(6), 1192-1211.
- [41] Meyer, J. & Allen, N. (1984). Testing the "side-bet theory" of organizational commitment: Some methodological considerations. *Journal of applied psychology*, 69(3), 372-378.
- [42] Meyer, J. P. & Herscovitch, L. (2001). Commitment in the workplace: Toward a general model. *Human resources management review*, 11(3), 299-326.
- [43] Demovsek, D. (2008). *Creating highly engaged and committed employee starts at the top and ends at the bottom line*, Credit Union Magazine. Credit Union National Association, Inc.
- [44] Dessler G. (2011). *Human resource management (12<sup>th</sup> ed.)*. Prentice-Hall, USA.
- [45] Meyer, D.K (2009). Entering the emotional practice in teaching. In: P.A Schutz & M. Zembylas (Eds). *Advances in teaching emotion research: The impact on teachers' lives (pp.73-94)*. New York: Springer Publishing.
- [46] Mowday, R.T, Porter, L.M. & Steers, R.M (1982). *Employee-organizational linkage*. New York: Academic Press.
- [47] Bateman, T. & Strasser, S.A. (1984). A longitudinal analysis of the antecedents of organizational commitment. *Academy of management journal. academy of management*, 27(1), 95-112.
- [48] Mowday, R.T., Steers, R.M. & Porter, L.W. (1979). The measure of organizational commitment. *Journal of vocational behavior*, 14(2), 224-247.
- [49] Mathieu, J.E. & Zajac, D. M. (1990). A review and meta-analysis of the antecedent, correlates, and consequences of organizational commitment. *Psychology bulletin*, 180(2), 171-194.
- [50] Steers, R.M., & Rhodes, S.R. (1978). Major influences on employee attendance: A process model. *Journal of Applied Psychology*, 63(4), 391-407
- [51] Clegg, C.W. (1983). Psychology of employee lateness, absence, and turnover: A methodological critique and an empirical study. *Journal of applied psychology*, 68(1), 88-101.
- [52] Cotton, J.L., & Tuttle, J.M. (1986). Employee turnover: A meta-analysis and review with implications for research. *The academy of management review*, 11(1), 55-70.
- [53] Schuler, R.S. & Jackson, S.E. (1996). *Human resource management: positioning for the 21st century (6th Ed)*. West Publishing Company, New York.
- [54] Davenport, E. (2010). Confessional methods and everyday life information seeking. *Ann. Rev. Info. Sci. Tech.* 44, 533-562.
- [55] Qaisar, M.U, Rehman, M.S & Suffyan, M. (2012). Exploring effects of organizational commitment on employee performance: Implications for human resource strategy. *Interdisciplinary journal of contemporary research in business*, 3(11), 248 - 255.
- [56] Meyer, J., Stanley, D., Herscovitch, L. & Topolnytsky, L. (2002). Affective, continuance, and normative commitment to the organization: a meta-analysis of antecedents, correlates, and consequences. *Journal of vocational behavior*, 61(2), 20-52.
- [57] Muchinsky, P.M. (2003). *Psychology Applied to Work (7th Ed)*. Wadsworth, Belmont.
- [58] Storey, J., & Quintas, P. (2001). Knowledge Management and HRM. In Storey, J (Ed). *Human Resource Management: A Critical Text*. London: Thomson Learning
- [59] Ragin, C.C. (2008). *Redesigning social inquiry: Fuzzy sets and beyond*. University of Chicago Press, (2008),
- [60] Fiss, P.C. (2011). Building better causal theories: A fuzzy set approach to typologies in organization research. *Academy of management journal*, 54(2), 393-420.
- [61] Woodside, A.G (2013). Moving beyond multiple regression analysis to algorithms: Calling for adoption of a paradigm shift from symmetric to asymmetric thinking in data analysis and crafting theory. *Journal of business research* 66, 463-472.

- [62] Alimohammadi, M. & Neyshabor, A.J. (2013). Work motivation and organizational commitment among Iranian employees. *International journal of research in organizational behavior and human resource management*, 1(3), 1-12.
- [63] Dwivedula, R., Bredillet, B. & Müller, R. (2013). work motivation as a determinant of organisational and professional commitment in temporary organizations: Theoretical lenses and propositions. *Journal of project, program & portfolio management*, 4(1). 11-29.
- [64] Wiley, C. (1997). What motivates employees according to over 40 years of motivation surveys. *International journal of manpower*, 18(3), 263-280.
- [65] Dung, N.T.P., Ly, H.T.C. & Trang L.T.T. (2014). Factors impacting on organizational commitment of the office workers in Can Tho City. *Scientific journal of Can Tho university* 30, 92-99
- [66] Dung, T.K & Abraham, M. (2005). *Measuring the organizational commitment and job satisfaction in the Vietnamese context*. Paper presented in the International scientific conference in 09/2005, Ho Chi Minh City, Vietnam
- [67] Dung, T K & Vy, N.N.L. (2011). Measurement scale of employee motivation. *Journal of Economic Development, Ho Chi Minh City University of Economics*, 244(2), 55-61.
- [68] Khai, N.T. & Truc, D.T.T.(2015). Perceived value and employee commitment in auditing companies In Ho Chi Minh City. *Journal of science, Ho Chi Minh City Open university*, 2 (41), 37-50.
- [69] Khanh, D.X & Long, L.K (2015). The study of employee commitment to military petroleum corporation. *Journal of fisheries science and technology* 3, 115 – 121.
- [70] Sameer, P. & Harleen, S. (2011). What makes an attractive employer: significant factors from employee perspective?. *Anvesha- A Journal of IES management college and research Centre, Mumbai*, 4(2). 18-25.
- [71] Wilcox, M. (2016). *Effective Talent Management: Aligning Strategy, People and Performance* (1st Ed). Routledge Publisher
- [72] Tett, R. P. & Meyer, J. P. (1993). Job Satisfaction, Organizational Commitment, Turnover Intention, And Turnover: Path Analyses Based On Meta-Analytic Findings. *Personnel Psychology*, 46(2), 259–293
- [73] Hair, J.F., Black, W.C., Babin, B.J., Anderson, R.E., & Tatham, R.L. (2010). *Multivariate data analysis*. Upper Saddle River, NJ: Pearson.
- [74] Tabachnick, B. & Fidell, L. L. S. (2001). *Using multivariate statistics* (4th Ed). Needham Heights, MA: Allyn & Bacon.
- [75] Tabachnick, B. & Fidell, L. L. S. (2007). *Using multivariate statistics* (6th Ed). Needham Heights, MA: Allyn & Bacon.
- [76] Håkansson, H. & Waluszewski, A. (2007). *Knowledge and Innovation in Business and Industry - The Importance of Using Others*. London: Routledge Publisher