

Factors Affecting Achievement Motivation of Employees at Post-Merger Commercial Bank in Vietnam



Bui Thi Phuong Thao¹, Nguyen Thi Anh Tram², Ngo Quang Hung³

^{1,2,3} University of Labor and Social Affair

ABSTRACT: Implementing the Government's policy on restructuring the economy, including credit institutions, in the period 2011 - 2015, the project to restructure the commercial banking system was restarted drastically by the State Bank. Merger activities commercial banks have taken place extensively and are still being implemented. This study was conducted with the aim of clarifying the factors that affect the achievement motivation of employees at post-merger commercial bank employees in Vietnam. The research data was collected from 400 post-merger bank employees in Vietnam. Data analysis results show that the motivation to achieve of employees at post-merger commercial banks is influenced by four factors (i) Personal factors, (ii) Relationship with managers and the role of managers, (iii) Job characteristics, (iv) Remuneration. On that basis, the research team proposes recommendations to help commercial banks effectively manage and utilize employees during work.

KEYWORDS: Achievement motivation, merger, post-merger commercial bank

I. INTRODUCTION

Mergers and acquisitions (M&A) are increasingly developed to strengthen and maintain the position of businesses in the market. However, business success after mergers and acquisitions, in addition to financial and market factors, also depends on human resource issues (Randall Schuler & Susan Jackson, 2001). Many studies have also found that it is necessary for companies to systematically solve human resource performance issues in their mergers and acquisitions activities (Chipunza, C., Michael, M.O. and Mariri, T (2011), Schuler & S Jackson (2001).

In the banking and financial market, mergers of banks bring many opportunities such as increasing scale, quickly expanding the market from the merged bank's market share, and cutting costs of branches in the same area while still maintaining the same market share in that area to help maximize profits... Besides, the merger also has many limitations in terms of credit risk, liquidity risk, operational risk. The most dynamic and worrying thing is bad-debt. This will affect the "health" of the bank. Regarding personnel issues, this is also a difficult problem for the merged bank. The rearrangement of the human resources team has had a strong impact on the ideology, emotions, and work motivation of each individual pre and post- merger.

Research shows that the performance of companies is affected by many factors, of which employee motivation is the main factor. If employees are more motivated, the performance of the organization will also enhance. Motivated employees are more autonomous than less motivated employees and this leads them to take more advantage of development opportunities (Ryan & Deci, 2000, cited in Grant, 2008). Similarly, employees' commitment to work is more if they are motivated than if they are less motivated (Guay et al., 2000). Research on employee work motivation in merged organizations has also shown that mergers have an impact on employee work motivation through the restructuring process (Nasir, U & Riaz, A, 2016); (Yu, 2009) employees worry about losing their job, changes in responsibilities... in the future.

Goyal and Joshi (2011), based on research on 17 bank mergers in India, in addition to the financial aspect, this study has pointed out urgent issues about human resource activities that will directly affect directly to the employees, which in turn will impact the success of the merger, including: the merger affects the career and personal career of bank employees, the results show that bank employees feel threatened by mergers and acquisitions. Communication between managers and employees impacts the level of trust of employees with managers, including regular communication pre and post - merger. Carefully planned, employee-centered communication and a good level of employee relations will play a key role in the success of a merger.

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According to Lawrence and Nohria (2002), the four basic types of "Driven" motivation are: (1) Drive to acquire – is the motivation to achieve/gain artifacts and experiences, motivation to gain advancement and position in society; (2) Drive to bond – is the motivation to establish relationships and social commitments, which is the basis for cooperation between people and results in organizational success and social development. ; (3) Drive to learn is the motivation to satisfy curiosity and resolve inconsistent information; (4) Drive to defend - is the need to protect oneself, the basis for action, against external threats. These four factors are the foundation, providing complete and comprehensive information about employee work motivation.

In Vietnam, based on Project 254 "Restructuring the system of credit institutions for the period 2011-2015, banks have restructured through mergers or receiving foreign investment capital, in that is mainly through mergers. Up to now, merger activities in the banking industry are still taking place to implement the Government's general policy on restructuring the economy, including credit institutions. To clarify more clearly how bank mergers affect employees working in this field, we chose to focus on researching the factors affecting the achievement motivation of employees at post-merger commercial bank employees in Vietnam.

2. THEORICAL BASIS

2.1. Achievement motivation

There are many theories explaining work motivation, including the Four-Drive theory of Lawrence and Nohria (2002). The theory of four types of motivation has been used to explain workers' work motivation, based on four types of motivation: drive to acquire, drive to bond, drive to learn and drive to defend. Like Maslow's hierarchy of needs, Clayton Alderfer and David McClelland, the three motivations in the four types of motivation theory including drive to acquire, drive to bond, drive to learn are created the desire of individuals to satisfy their needs. Factors such as the desire to achieve material achievements, job position, connection with individuals and groups at work, and the need to learn at work can be mentioned. However, the protective type of Four-Drive theory emerges when there is a threat. In reality, in post-merger organizations, the level of employment decreases, if there is a bank merger, the uncertainty regarding employment, income, promotion... will have a great impact on employees' psychology and work motivation. Therefore, the authors believe that the Four-Drive theory of Lawrence and Nohria (2002) will be suitable for research on employee motivation at post-merger banks.

Achievement is the drive to gain material wealth, attain a certain position, or get promoted. On one hand it can increase work performance, but on the other hand, it can lead to adverse competition. Achievement motivation is a combination of basic and complex needs that move from basic survival needs to achievements and strengths. Understanding this motivation and providing the necessary conditions to gain "achievement" through job performance will be at the core of creating job satisfaction.

2.2. Merger

Mergers and acquisitions (M&A) are an inevitable trend in the period of globalization. Sherman (2006), merger is a combination of two organizations that are similar to each other. A merger occurs when two companies, usually companies of the same size, agree to form a new company rather than maintaining the ownership and operations of each individual company. Shares of two individual companies will be written off and the new company will issue replacement securities. Bank mergers bring many long-term benefits, including increased capital, human resources, increased market share, increased operational efficiency, thereby increasing profits for banks.

2.3. Factors affecting employee achievement motivation

This study focuses on the influence of the following four factors:

First, Personal factors (PF)

In research on individual reactions to organizational change, some studies evaluate the ability of employees to resist organizational change, discovering employees' feelings of loss when implementing change in organizations (Macri et al., 2002; Piderit, 2000; Keifer, 2002). However, Dent and Goldberg (1999) provide a different perspective, asserting that people do not resist organizational change but may resist loss of status, salary, or comfort; these are not the same as resistance to organizational change. Ford et al. (2008) point out that most research on resistance to change in organizations focuses on its irrationality. Therefore, in this study, the author tests the following hypothesis:

H1: Personal factors have a positive impact on the achievement motivation of post-merger commercial bank employees in Vietnam.

Second, Relationship with managers and the role of managers (RM)

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Ehlers (2003), researching the relationship between communication satisfaction between employees and managers, hypothesized that communication satisfaction positively affects job satisfaction. . The research results were analyzed in correlations and regressions, showing that Employee communication satisfaction with upper management has a positive effect on job satisfaction. Research on Managing Employee Engagement in Organizational Transformation, Brzeziński & Bąk (2015) emphasized the role of managers in managing employees during organizational transformation. Managers play an important role in decision making related to employee development and employee management. Therefore, we hypothesize H2.

H2: The relationship with the manager and the role of the manager have a positive impact on the achievement motivation of post-merger commercial bank employees in Vietnam.

Third, Job characteristics (JC)

Assess the degree of influence of work on employee motivation, on the basis of measuring layers of variables:

(1) design job characteristics to enhance work motivation and job satisfaction; (2) the individual's affection for work; (3) the willingness of individuals to respond positively to jobs, creating motivation to work.

According to Hackman and Oldham's (1974) job diagnostic survey (JDS, The Job Diagnosis Survey), assessing the degree of influence of work on employee motivation on the basis of measuring layers of variables (1) design job characteristics to enhance work motivation and job satisfaction; (2) the individual's affection for work; (3) the willingness of individuals to respond positively to jobs, creating motivation to work. JDS does the following: (1) review existing jobs to determine if (and how) job redesign can enhance employee productivity and satisfaction; (2) evaluate the impact of job changes on employees.

Based on Hunter's (2006) proposal that job characteristics significantly affect job satisfaction, Hadi, R & Adil, A (2010) demonstrate that job characteristics relate to work motivation and job satisfaction of bank employees in Pakistan. Therefore, we hypothesize H3.

H3 Job characteristics have a positive impact on work motivation of post-merger commercial bank employees in Vietnam.

Fourth, Remuneration (RE)

Kivuti (2013), studied the effects of mergers and acquisitions on the performance of commercial bank employees in Kenya, in which aspects of salary and compensation of employees in the merged institutions, including: salary, benefits, performance based on salary, allowances, bonuses have affected employee performance. Heneman and Schwab (2005) studied salary satisfaction as multidimensional, assessed on five aspects of salary satisfaction: (rank, benefits, salary increase opportunities, salary structure and management). Compensation factors such as career development and job security are key factors that contribute to employee satisfaction (Yamoah, 2014). Therefore, in this study, the author tests the following hypothesis:

H4: The bank's remuneration regime is positively related to the work motivation of post-merger commercial bank employees in Vietnam.

From the above analysis, the research team proposed a model of factors affecting the work motivation of post-merger commercial bank employees in Vietnam, as follows:

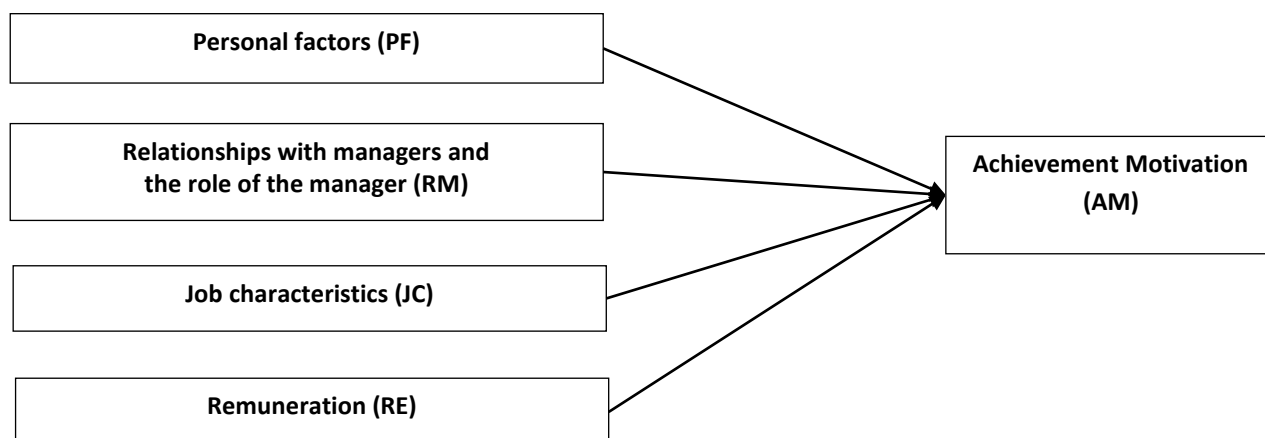


Figure 1. Research model of factors affecting the achievement motivation of post-merger bank employees in Vietnam

Source: Recommended by the research team

3. RESEARCH METHODS

Research sample

In 2021, Vietnam has 5 merged banks including including Saigon Commercial Joint Stock Bank (SCB); SHB Commercial Joint Stock Bank; Public Joint Stock Commercial Bank (PVcomBank); Maritime Commercial Joint Stock Bank (MSB); Ho Chi Minh City Housing

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Development Commercial Joint Stock Bank (HDBank). The total number of officers and employees at these 5 banks is 38,669 people. Therefore, the research team used the Slovin formula to determine the number of employees participating in the survey.

$$n = \frac{N}{(1+N*e^2)} = \frac{38669}{1+38669*(0.05)^2} = 395.9$$

In which: n – Sample size
N- total number of employees of 5 surveyed banks
e: Sampling error rate, in this study the team used a 5% error rate.

Thus, the minimum number of employees selected for survey at the above 5 banks is 396 people. Therefore, it was completely reasonable for the research team to conduct a survey of 400 employees in this study.

Due to the large difference in the size of officers and employees at banks, in order to increase the representativeness of the number of survey staff at each bank, the number of survey samples is selected according to the sample allocation method proportional to the square root of the whole. The sample allocation formula is determined as follows:

$$n_i = \frac{\sqrt{N_i}}{\sum \sqrt{N_i}} * n$$

In which, ni: Number of employees surveyed at bank i
Ni: total number of employees of bank i
n: Total number of survey employees

From the above formula, the number of employees selected at each bank for survey is determined as follows:

Table 1: Distribution of employees participating in the survey at banks

Bank	Number of employees in 2021 (people)	Square root ratio of the population (%)	Number of employees participating in the survey
MSB	5023	16.6	67
HDB	16326	30.0	120
SCB	6700	19.2	77
SHB	5292	17.1	68
PVcomBank	5328	17.1	68
Total	38669	100	400

Sampling method

According to the collected data, the surveyed banks all merged before 2021, so the business activities of these banks have been stable. Therefore, to ensure the collection of 400 opinions of employees at selected post-merger banks, the team used a convenient, purposeful random sampling method.

Method of information collection

The research team used a combination of face-to-face and online interviews to collect information reflecting the achievement motivation of employees at post-merger banks in Vietnam. To measure and evaluate the influence of factors on employee achievement motivation at post-merger banks in Vietnam, the research team used a Likert scale with levels from 1 to 5. (wherein, 1 is the lowest level and 5 is the highest level).

Analytical method

The research team used descriptive statistics and regression analysis methods after evaluating the reliability of the scales and measuring the convergence of factors to evaluate the influence of factors on the work motivation of bank employees after the merger in Vietnam.

4. RESEARCH RESULTS

4.1 Characteristics of the survey sample

The research team collected information on 400 employees currently working at post-merger banks in Vietnam. Of which, the proportion of male employees is 57.9% and female is 42.1%. Regarding age, employees under 25 years old account for 15.8%; from 25 to 29 years old accounts for 38.1%; from 30 to 39 years old accounts for 32.3% and from 40 years old or older accounts

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for 13.8%. The majority of employees have worked at two previous banks, accounting for 52.1%. The proportion of employees who previously worked for a bank is 20.4%; 3 banks is 14.7% and 4 banks or more is 12.8%.

4.2 Evaluate the reliability of the scale and measure the convergence of factors

Evaluate the reliability of the scale

Research team used method to evaluate the reliability of the scale and measure the convergence of factors to eliminate measurement scales that do not ensure reliability. Scales are accepted when the Cronbach's Alpha coefficient is equal to or greater than 0.6 and the correlation coefficient of component variables with the total variable is equal to or greater than 0.3 (Hair & al. 2009). Table 1 shows that all Cronbach's Alpha coefficients of the population are above 0.6; The total correlation of observed variables is above 0.3. Therefore, the variables of the research model are suitable for subsequent analysis.

Table 1. Cronbach alpha coefficients of independent and dependent variables

Factor	Code	N	Cronbach's Alpha
Personal factors	PF	9	.905
Relationship with managers and the role of managers	RM	7	.878
Job characteristics	JC	7	.886
Remuneration	RE	6	.899
Achievement motivation	AM	5	.750

Source: Survey results of the research team

Measure the convergence of factors

Research team used exploratory factor analysis method to measure the convergence of factors affecting the achievement motivation of commercial bank employees after the merger in Vietnam. The analysis results show that the KMO coefficient is 0.790 and the Bartlett test significance level is 0.000, reflecting that the observed variables have a linear correlation with each other, so factor analysis is appropriate in this study. The total variance extracted is 65.374, indicating that the factors explain 65.374% in this study. The observed variables all have large factor loadings of 0.5 so they are retained to perform the next analysis steps.

Table 2. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.790
Bartlett's Test of Sphericity	Approx. Chi-Square	7967.092
	df	435
	Sig.	0.000

Source: Survey results of the research team

4.3 Evaluate the impact of factors on the achievement motivation of post-merger commercial bank employees in Vietnam

Researchers used multivariate regression method to test the research hypotheses and evaluate the impact of factors on the motivation to achieve performance of bank employees after the merger in Vietnam. The results of regression analysis are shown in the table below:

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.755 ^a	.570	.565	.23208

a. Predictors: (Constant), CD, DD, CN, QL

Table 4: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.183	4	7.046	130.819	.000 ^b
	Residual	21.274	395	.054		
	Total	49.458	399			

a. Dependent Variable: AM
b. Predictors: (Constant), RE, JC, PF, RM

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Table 5: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance VIF
1(Constant)	.762	.201		3.789	.000	
PF	.405	.044	.362	9.231	.000	.710 1.409
RM	.071	.019	.146	3.635	.000	.676 1.479
JC	.199	.035	.194	5.681	.000	.931 1.074
RE	.175	.021	.341	8.235	.000	.635 1.574

a. Dependent Variable: DLDTT

Source: Survey results of the research team

According to the analysis results, the adjusted explanation coefficient in the above model is 0.565, indicating that the factors (personal factors, relationship with the manager and the role of the manager, job characteristics and remuneration) explains 56.5% of employees' achievement motivation. The significance level of the F-test is less than 0.05, reflecting that the regression analysis model is appropriate in this study. All factors have a variance inflation factor (VIF) less than 10, so there is no multicollinearity between factors. The significance level of testing the intercept coefficient and regression coefficient of the independent variables are all less than 0.05, so these independent variables all impact the employee's achievement motivation. Therefore, hypotheses H1, H3, H3, H4 are all accepted in this study.

In the above model, "Personal factors" are the factors that have the strongest impact on the motivation to achieve performance of bank employees after the merger because they have the highest standardized regression coefficient and are equal to 0.362. The impact level of the remaining factors is based on the value of the standardized regression coefficients in the following order: remuneration regime (0.341); job characteristics (0.194) and relationship with managers and the manager's role (0.146).

5. CONCLUSION

This study analyzes the influence of factors on the work motivation of post-merger commercial banks' employees in Vietnam. The research results have confirmed that the proposed hypotheses are accepted, specifically: personal factors, relationships with managers and the manager's role, job characteristics and remuneration which has a positive influence on the achievement motivation of employees at post-merger banks in Vietnam. Personal factors are the factors that have the strongest impact on the motivation to achieve results of post-merger bank employees. If employees have positive thoughts, optimism, and confidence in their work, consider the merger as an opportunity for them to explore and learn about their own abilities at the new bank, it is a factor to motivate them to work and gain achievements; however, some employees are still influenced by the working environment at their old bank, which has also reduced their motivation to achieve. The relationship with the manager and the role of the manager have a positive relationship with employees' achievement motivation results, when managers are friendly, know how to listen and understand their employees' wishes and aspirations, will increase employee motivation to achieve. Post-merger bank employees all consider job characteristics as factors that promote their work motivation. Each employee position has a clear job description, so employees at the merged bank do not take much time to access the job. The remuneration factor is not really a motivator for employees in performing tasks, they believe that employee salaries and bonuses depend heavily on KPI results. These research results will also provide some suggestions for post-merger commercial banks in Vietnam to enhance employees' achievement motivation.

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