

How to Motivate the Employees in Taiwanese Multinational Corporations Operating in Vietnam

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Abstract

The study draws on recently gathered data about 210 employees of seven Taiwanese enterprises operating in the Northern Vietnam, including Hanoi, Bac Ninh and Thai Binh provinces. The data was analyzed using mean item score and Spear correlation matrix. The analysis results show that: (1) The average score of human resources index is about 3.4527, in which relationships, organizational effectiveness and organizational objectives factors are highest; (2) The top five motivating factors with highest satisfaction are included work safety, interpersonal relationships, social aspect of important work, helping others work, and social security; (3) There is a significant positive correlation between insensitive satisfaction and human resources index. Based on these analysis results, this study proposes some solutions to improve human resource management in Taiwanese multinational corporations operating in Vietnam.

Received 17 May 2016, revised 9 June 2016, accepted 28 June 2016

Keywords: Motivation, Taiwanese multinational corporations, Vietnam, human resources index, satisfaction.

1. Introduction

Globalization has opened the door of opportunities for an increasing number of corporations to cross their national boundaries, to expand their market share, reduce costs, and enhance efficiency [1]. Despite the reduction in trade barriers to entering new international markets, there are still numerous complexities. International managers who manage multinational corporations (MNCs) today are facing with an external environment that is fast changing, complex, uncertain and vigorously competitive [2]. Internationalization of a company's operation can result in developing a competitive advantage but only under certain

conditions [3]. MNCs may not succeed in taking full advantage of available resources and opportunities without significant understanding of the different organizational, socio-economic, and cultural factors. It has been already accepted both in domestic and international markets that employees can be an important source of competitive advantage for corporations [4]. It has also been found that if Human Resources Management (HRM) is linked to the overall business of a company, it may further enhance the performance of the company [4]. Moreover, it is argued that the way global employees are managed will also have a significant impact on a firm's economic outcome due to the complexity of managing workers from different socio-economic and cultural backgrounds [5]. Although MNCs

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generally in home country have a successful management experience but few of them know how to manage human resources effectively in a dynamic international environment because best practices in one context do not always success in other contexts with different socio-economic and cultural conditions [6].

In their operation in Vietnam, some Taiwanese offices had some regrettable arguments with the local labors. The main reason was due to the language misunderstanding, cultural differences, and limited knowledge of manners and customs of each other. Besides, mistakes in the administration at Taiwanese FDI companies have led to many continual strikes. According to Molisa's statistics, Vietnam had 424 cases of strike in 2010. Most strikes, 79.95 per cent were in foreign companies (334/424), of which Taiwanese companies had 128 cases accounting for 37.76 percent. In HCM City, also according to the statistics, the first 6 month of 2011 had 132 cases of labor disputes and strikes with the involvement of 72 thousand workers (increase over 120 per cent as compared to 2010). In particular, most recently, at PouYuen Vietnam Company Limited located in Tan Binh district, (a large footwear and leather firm) up to 12 thousand workers were on an 8 day strike, (from 21/6/2011 to 29/6/2011), thus the Company had to make 92 thousand workers leave for a week but still paid them [7]. An informant in Tan Thuan Export Processing Zone (EPZ) said: "It was a hard time for every new company here. Strikes were like a contagious virus spreading everywhere. No one was exempted. I don't know why, but there must be something wrong because all of the new companies, including Japanese and Korean companies had the same problem". The reasons for industrial disputes were the increase of overtime pay, different kinds of subsidies, year-end bonuses, and working hours. These disputes were basically related to compensation [8]. Regarding the turnover rate of Vietnamese

workers, it is estimated to be as high as 20-30 per cent in professional and high skill jobs [9]. Most of Taiwanese companies reported that the rate was less than 5 per cent (although a company in Hanoi reported a turnover rate of 30 per cent). The reasons given for leaving are personal, for example marriage or living too far away from the factory [8]. In my opinion, however, the turnover rate in fact is much higher than 5 per cent, specially, in some big cities, the rates were higher, about 20-30 per cent. The reasons are also included lack of competitive compensation system, training programs, salary and welfare, working hours, language misunderstanding and culture differences.

We can see that, despite their huge successes, MNCs, already failed in doing business in Vietnam or other Southeast Asian countries with a similar cultural orientation due to inappropriate HRM. Therefore, the purpose of this study is to explore how to motivate employees in Taiwanese MNCs in the Vietnamese context. We proposed that the findings could assist MNCs top management to better manage their workforce in Vietnam or other Southeast Asian countries.

2. Literature review

Motivation theory examines the process of motivation. It describes what organizations can do to encourage their employees exercising the maximum efforts, increasing the abilities to achieve organization's goals as well as satisfying their own needs. Motivation is the process that account for an individual's intensity, direction, and persistence of effort toward attaining a goal [10]. According to Madsen, motivation is "a process which starts or improves organizational behaviors; encourages an ongoing activity and directs activities towards specific targets" [11]. There are many studies that analyzed the relationship between motivation and job satisfaction, and other relationships between and among other related variables [12, 14]; the link between

culture and job satisfaction [15, 16]. Research and theory on employee's job satisfaction and well-being has increasingly concentrated on both intrinsic and extrinsic motivational factors [17]. Another area of the study is the correlation between job satisfaction and motivational factors. Some other researchers analyzed the relationship between job satisfaction and various specific motivational factors [18, 22].

During the global economic crisis, with the occurrence of inflation, employees' life encounters many difficulties, so the enterprises need to understand what employees need to adjust their policies into a more efficient way in order to survive and develop, compared to other competitors in the market. Enterprises often use some rigid index to evaluate the effectiveness of HRM and ignore the function of some soft index such as staff's satisfaction about the work and HRM. We use HRI to measure the HRM effectiveness of Taiwanese MNCs in the Vietnamese context, in order to mobilize and explore the staff's enthusiasm, to promote healthy development of the enterprises. The concept of HRI was first proposed by Rensis Likert in 1960. While engaging human resource statistics, he attempted integrating the income statement and balance of payments to human resource statistics and financial data, in order to evaluate the situation of HRM. This approach was opposed by the professional accounting personnel, gradually, since in the human resource statistics process, they had to minimize the use of financial data, but increase the use of a management environment survey data to evaluate the present situation of HRM. The HRI survey was designed by FE Schuster - an American professor. HRI is a standardized employee survey instrument that measures 15 keys dimension of employee perceptions regarding the work environment. HRI survey methodology was proved to be effective by the use of many enterprises. It utilizes methods and techniques of psychological measurement to access the attitude of the employees, the satisfaction and the contribution of employees for the organizational goal, as well as to

accurately identify the factors that affect the enterprises' efficiency, thus to carry out targeted management to provides a guideline for enterprises. HRI has been used to evaluate the effectiveness of benefit and incentive compensation improvement, the implementation of the participative management process, employee perceptions of changes within the organization, the integration of new business acquisitions, and the effect of environmental initiatives. Shuming et al (2003) used HRI to determine the pattern of the relationship of management practice, organization culture, and performance and the limits to the use of employee-centered management in a cultural study in four countries. Employee satisfaction is one of the most important problems that need to be measured in human resource score. Our study reflects the importance for MNCs and Taiwanese enterprises in considering the direct effects of employee satisfaction which is, the way to motivate employees in their human resource policies to obtain competitive advantage.

The purpose of human resource management is to meet the employee's basic needs, to mobilize and to explore the employees' work enthusiasm, and to promote the development of the organization. Employees' job attitudes are particularly important from an organization's perspective because of their link to employee engagement and performance in the job. Employee engagement attitudes, such as satisfaction with one's job, organizational commitment or loyalty, have important implications for an employee's work performance and intentions to stay or quit an organization. This translates into strong monetary gains for organizations as research has demonstrated that individuals who are highly satisfied with their jobs and who exhibit high organizational commitment are likely to perform better and remain in an organization, whereas individuals who have developed negative attitudes (highly dissatisfied and unattached to their jobs) are characterized by low performance and high turnover rates

[24, 25]. Unengaged employees are very costly to organizations in terms of slowed performance and rehiring expenses. Since, attitudinal formations begin from the initial point of contact with an organization; practitioners would be wise to take advantage of positive attitudinal development during socialization periods in order to ensure a strong, productive, and dedicated workforce.

Based on the above literature search, the purpose of this study is to determine the relationship between motivating factors and HRI; the causes of motivational problems related to the satisfaction of workers in Vietnam-based Taiwanese firms. Measuring employee needs satisfaction is one of the most important problems of human resource index evaluation. In the past, few studies had explored the relationship between employee motivational factors and HRI. This might have resulted in certain deviation in the HRI. This study uses quantitative methods, HRI and the motivating factor score to assess the status of enterprises' HRM, the results of employee satisfaction motivating factor, and the most suitable way to motivate employee to promote the development of enterprises.

3. Research methodology

In order to explore the relations between the Motivating Factors and HRI of Taiwanese enterprises, this paper designs a questionnaire, the survey covers the design of motivating factors and the design HRI 15 factors of Frederick Schuster (1986). The classification of motivating factors in 5 factors subdivided into 16 subtitles such as: the work itself (interesting work, social aspect of important work, helping others work), management (flexible working hours, fixed working hours, work independently), working safety (social security, working safe), personal growth (promotion opportunity, relationship, occupation training, team members acceptability) and salary and welfares (salary and welfares, suitable vacation,

working near home, no pressure). The design HRI 15 factors of Frederick Schuster, 15 classification factors of human resource management performance are divided into 64 sub-titles, for which each employee is asked to indicate his/her level of agreement using a five-point Likert scale. We use the motivating factors survey to analyze the contrast of the importance degree and satisfaction degree of motivating factors.

The data was collected in seven Taiwanese enterprises operating in Hanoi, Bac Ninh and Thai Binh. Using a survey method, we collected data from the general staff, line managers and middle and senior management personnel of Taiwanese enterprises. The survey was conducted in June, 2014.

After getting the subjective assessment of the employees about the motivating factors and HRI, we used the statistical software for data collation, then through the obtained evaluation results correlation analysis, the influence degree of measurement can be achieved.

Issuing the questionnaire to interview 210 employees, reclaim 210, excluding the missing key variables of the questionnaire, the effective questionnaires are 203. The recovery rate of the questionnaire is 96.67 per cent. In a sample of 82 males (40.39 per cent), 121 females (59.64 per cent); 18-25 years old 53 people (26.11 per cent), 25-35 years old 82 people (40.39 per cent), 35-45 years old 46 people (22.66 per cent), over 45 years of age 22 (10.84 per cent). Distribution of the educational qualification: Bachelor 11.33 per cent, master's or higher accounted for 3.94 per cent, college and the following 84.73 per cent.

4. The analysis results

The processing of all data using SPSS obtained the following results: the reliability; the human resources index; the importance and the satisfaction scores of the employee motivation factors; the correlation of HRI and incentives satisfaction;

4.1. The reliability of the overall instrument

The reliability of the overall instrument and the individual factors was determined using Cronbach’s Alpha, a statistic widely accepted as general purpose measure of reliability. The alpha coefficients calculated for the total instrument and for the individual factors are shown in Table 1. The reliabilities ranging from .7099 to .9234 were

judged to be more than satisfactory to justify further use of the instrument.

4.2. HRI analysis results

The analysis results of HRI indicate the status of HRM of enterprises. The results calculated in each dimension and total score of the mean value and standard deviation are shown in Table 2.

Table1: Cronbach’s coefficient Alpha reliabilities

Item	Alpha	Standardized item Alpha
F ₁ /Cooperation	0.7099	0.8071
F ₂ /Intrinsic satisfaction	0.8738	0.7287
F ₃ /First level supervision	0.7063	0.7764
F ₄ /Climate	0.8327	0.8720
F ₅ /Concern for employees	0.7137	0.7045
F ₆ /Organizational structure	0.8117	0.8203
F ₇ /Organizational effectiveness	0.8007	0.8055
F ₈ /Employment mechanism	0.8733	0.8666
F ₉ /Spirit and expectations of staff	0.9234	0.7946
F ₁₀ /Senior management	0.9055	0.8760
F ₁₁ /Communication	0.8129	0.8108
F ₁₂ /Organizational objectives	0.7374	0.8683
F ₁₃ /Relationships	0.7508	0.7804
F ₁₄ /Reward system	0.7619	0.6290
F ₁₅ /Participation	0.7356	0.6677
F _M		0.7872

Table 2: Human resource index

Item	M ± SD	Item	M ± SD
F ₁ /Cooperation	3.5456 ± 0.55	F ₉ /Spirit and expectations of staff	3.4481 ± 0.07
F ₂ /Intrinsic satisfaction	3.5117 ± 0.47	F ₁₀ /Senior management	3.3464 ± 0.68
F ₃ /First level supervision	3.3740 ± 0.68	F ₁₁ /Communication	3.3104 ± 0.68
F ₄ /Climate	3.5117 ± 0.58	F ₁₂ /Organizational objectives	3.5604 ± 0.63

F ₅ /Concern for employees	3.3931 ± 0.69	F ₁₃ /Relationships	3.7066 ± 0.71
F ₆ /Organizational structure	3.5498 ± 0.56	F ₁₄ /Reward system	3.2362 ± 0.76
F ₇ /Organizational effectiveness	3.5710 ± 0.68	F ₁₅ /Participation	3.2278 ± 0.78
F ₈ /Employment mechanism	3.5604 ± 0.64		

HRI reflects the ideas of employees surveyed. Employees' motivational satisfaction deals with how people feel (satisfied or dissatisfied) about different aspects of the organization's motivation policies. Reward systems that organizations offer to the employees play a key role in increasing employee motivation. In Table 2, we can see that $F_{13} > F_7 > F_{12} = F_8 > F_6 > F_1 > F_4 = F_2 > F_9 > F_3 > F_5 > F_{10} > F_{11} > F_{14} > F_{15}$. Thus, relationships, organizational effectiveness and organizational objectives factors are evaluated among highest, meaning that employees are most satisfied with the relationship, and most dissatisfied with participation and reward system factors in the Taiwanese multinational corporations. The result is quite reasonable for Vietnamese culture context: They like harmonious atmosphere, it is the reason why most employees satisfied with the relationship. While the nation suffered under poor economic

conditions for years, the global economic crisis, the inflation is occurring, employee life encounters many difficulties with the lack of competitive compensation and incompetent reward system. There are many other issues making them dissatisfied with the reward system impact. Cheap labor will no longer be an advantage of the Vietnamese labor market in the next time.

4.3. The contrast analysis of the importance degree and satisfaction degree of motivating factors

In order to understand the most important motivation factors to the employees and the satisfaction degree of employees, the statistical results of the enterprises incentive factors important degree and satisfaction degree are shown in Table 3.

Table 3: The importance and satisfaction scores of motivating factors

Motivating factor	Importance degree	Satisfaction degree	Different level	T value
M ₁ /Work independently	4.16	3.71	0.45	5.69 **
M ₂ /Promotion opportunity	3.99	3.54	0.45	4.95
M ₃ /Interpersonal relationship	4.33	3.94	0.39	5.83
M ₄ /Flexible working hours	3.84	3.61	0.23	2.89 **
M ₅ /Social security	4.48	3.80	0.68	8.78
M ₆ / interesting work	4.30	3.58	0.72	7.82
M ₇ /Social of important work	3.83	3.81	0.02	0.43 ***
M ₈ /Work safety	4.51	3.96	0.55	7.89 ***
M ₉ /Occupation training	4.17	3.53	0.64	7.67

M10/Salary and welfare	4.38	3.40	0.98	9.67*
M11/Team members acceptability	4.29	3.78	0.51	8.19***
M12/Suitable vacation	4.16	3.34	0.82	10.93***
M13/Fixed working hours	4.06	3.79	0.27	4.01***
M14/Working near home	4.22	3.63	0.59	-2.45*
M15/No pressure	3.30	3.46	-0.16	-1.66
M16/Helping others work	3.63	3.81	-0.18	-2.62**

Note: *P < 0.05; **P < 0.01; ***P < 0.001.

From Table 3, we can see that the importance degree: $M_8 > M_5 > M_{10} > M_3 > M_6 > M_{11} > M_{14} > M_9 > M_1 = M_{12} > M_{13} > M_2 > M_4 > M_7 > M_{16} > M_{15}$. Thus, the top five incentive factors are work safety, social security, welfare, interpersonal relationship and working interest. In which, the employees think a lot of work safety and it is true of Maslow's Hierarchy of Need. The employees do not pay attention to job stress, so work pressure is a trend and the inevitable, or employees think this need is difficult to obtain. The last five motivating factors are no pressure, social of important work, help others work, flexible working hours and promotion opportunity. We can see that these items in the original incentives mechanism are not too effective; the employees did not realize their importance.

If employees value most motivating factors, they'll represent the incentives needs of employees, then employees perception indicate employee satisfaction, which will directly affect their work and their potential, thereby affecting the working efficiency. The satisfaction degree of motivating factors is sorted as: $M_8 > M_3 > M_7 = M_{16} > M_5 > M_{13} > M_{11} > M_1 > M_{14} > M_4 > M_6 > M_2 > M_9 > M_{15} > M_{10} > M_{12}$. Thus, we can see that the highest satisfaction degrees in the top five motivating factors are work safety, interpersonal relationships, social aspect of important work, helping others to work and social security, of which relationships, work safety and social security are external incentives, two others factors are

the incentives to work. It means that enterprises pay more attention to work-related factors while ignoring the factors related to the growth of individual employees. The lowest satisfaction is vacation dissemination, meaning the vacation system is irrational. The other lowest satisfaction with incentive factors are salary welfare, no pressure, occupation training and promotion opportunities, showing that the enterprises pay and benefits do not satisfy the demands of employees and not competitive. Work pressure, the occupation training system is not perfect, the promotion chances are slim.

From T value score in Table 3, we can see that, the importance and satisfaction degree of the motivating factor are significantly different. No significant differences are only in promotion opportunities, interpersonal relationships, social security, working interest, occupation training, salary and welfare, when the differences of those of the other incentive factors are evident. The importance degree scores evaluation of employees in most factors are higher than the satisfaction scores. Specially, the satisfaction score of the employees dominant needs such as salaries and benefits, social security and so on are far smaller than the importance score, the difference of salaries and benefits important degree and satisfaction degree mean score is the biggest, accounting for 0.98, indicating the employees are very dissatisfied with the pay and benefits, which is also consistent with the survey results of the human resources index.

4.4. The correlation analysis of HRI and the motivating factors satisfaction degree

Many studies have shown that the employees who evaluate a high score for the human resources index, have a high evaluation for incentive satisfaction, and at the same time, the higher the satisfaction of the incentive system, the higher the evaluation of human resources index. The author used Pearson correlation coefficient to measure the simple correlation coefficient of the HRI score and incentives satisfaction score, the result is shown in Table 4. The correlation coefficient result of the HRI total score and incentives satisfaction total score is 0.41, the significance level of 0.01 shows a significant positive correlation.

From Table 4 we can see that the significance level of 0.01 indicates that each dimension of HRI and the dimensions of incentive are significantly positively correlated except the correlation of reward system and work safety.

5. Discussion

(1) Enterprises' status of HRM

Comparing with other studies, we can see that the Vietnamese norm the data on each of the 15 factors of the HRI are significantly higher on the overall index in the table of HRI norms by countries (Table 5), indicating that the enterprise

HRM condition is ideal. The highest score is the enterprise culture, enterprise has the good relationships; organizational climate, organizational effectiveness evaluation of high, to explain the internal organizational environment is an ideal state, the internal mechanism is arranged reasonably, which may be associated with the enterprise scale medium or small; but the employees have a strong sense of participation, staff participation in management is not a guarantee of organizational system, to suppress the enthusiasm of the employees, the staff 's benefits are received the varying degree damage, so the staff feel dissatisfied with the participation. The employees are also quite dissatisfied with the fairness of the reward system.

(2) The dominant needs of employees

Dominant needs are the key factor of employee incentive. In this study, the employees dominant needs are work safety, social security, welfare and interpersonal relationships. These factors are related to the vital interests of employees and their growth. Thus, to improve the original motivation level, the management should pay more attention on these aspects. While the salaries and benefits in the employees' opinion are most important factor but most are dissatisfied, managers must be targeted in the design of the pay system, pay and benefits not only to have the external competitiveness but also reflects the internal fairness.

Table 4: The Pearson simple correlation coefficient matrix of HRI and incentives satisfaction degree

	Work itself	Management	Work safety	Personal growth	Salary and welfare	Incentive satisfaction total score
Reward system	.21 **	.21 **	.09	.27 **	.33 **	.30 **
Relationship	.17 **	.30 **	.28 **	.29 **	.31 **	.36 **
Communication	.18 **	.26 **	.16 **	.17 **	.24 **	.27 **
Climate	.24 **	.27 **	.15 **	.25 **	.35 **	.34 **
Organizational effect	.19 **	.21 **	.02 **	.31 **	.35 **	.28 **
Participation	.23 **	.28	.08 **	.23 **	.42 **	.33 **

Concern for employees	.20 **	.39 **	.16 **	.24 **	.34 **	.33 **
First level supervision	.22 **	.29 **	.08 **	.29 **	.21 **	.28 **
Organizational objects	.26 **	.34 **	.19 **	.32	.35 **	.39 **
Senior management	.25 **	.35 **	.11 **	.27 **	.39 **	.36 **
Cooperation	.21 **	.26 **	.24 **	.22 **	.25 **	.32 **
Employment mechanism	.16 **	.29 **	.22 **	.27 **	.32 **	.34 **
Intrinsic satisfaction	.30 **	.34 **	.23 **	.37 **	.44 **	.45 **
Spirit and expectations of staff	.28 **	.29 **	.04 **	.41 **	.45 **	.39 **
Organizational structure	.28 **	.31 **	.24 **	.17 **	.19 **	.33 **
HRI total score	.27 **	.34 **	.19 **	.33 **	.40 **	.41 **

Note: *P < 0.05; **P < 0.01; ***P < 0.001.

Table 5: HRI Norms by country

Content	US Mean	Canada Mean	Ireland Mean	China Mean
Reward system	3.00	3.15	2.31	2.89
Communication	3.16	3.24	2.89	2.76
Organization effectiveness	3.28	3.27	3.00	2.87
Concern for people	3.16	3.21	2.86	2.94
Organizational objectives	3.29	3.36	3.03	2.85
Cooperation	3.12	3.21	3.04	2.93
Intrinsic satisfaction	3.21	3.38	2.88	2.93
Structure	3.41	3.42	3.16	3.08
Relationship	3.42	3.51	3.28	3.22
Climate	3.22	3.31	3.01	2.09
Participation	3.63	3.04	2.73	2.65
Work group	3.42	3.50	3.29	3.22
Inter-group competence	3.08	3.12	2.84	2.78
First level supervision	3.44	3.33	3.11	2.85
Quality of management	3.31	3.38	3.12	2.91
Overall	3.21	3.28	2.93	2.89

Source: Shuming Zhao (2003), Across-cultural study of organization culture in Four National cultures.

(3) The comparison of employee incentive factor evaluation and the satisfaction degree

Motivational factors employee most value and their satisfaction degree have a big contrast.

Most scores of incentive factors important degree are higher than that of the satisfaction degree. This shows that the design of incentive mechanism has some blindness and limitations,

incentive mechanism does not reflect the actual psychological needs of the employees, and thus, improving the satisfaction degree of employees, reducing the gap of incentive measures and the staff feeling are the management direction. From some kind of meaning, management know how to improve the feeling level of employees, and let employees know what effective measures managers take, possibly having an important incentive effect to employees, which do not received the attention of managers.

(4) The relationship between HRI and employee motivation factors

This study has shown that satisfaction of employee motivation factors will affect their working enthusiasm and their potential development, thereby affecting the working efficiency. Thus having the high degree of motivating factor satisfaction of employees can lead to the high working efficiency, satisfied with the organizational climate and human resources management situation, which make their human resources index valuation be high. Valuating a high human resources index score of employees prefer the organization to provide an environment and opportunities, and more active work hard, also make them be more satisfied with the incentive measure. Therefore, there is a significant positive correlation between the human resources index and the satisfaction of employee motivation factors.

Material incentives, the managers must actively create a corporate culture of respect knowledge, respect talent and emotion to keep people, keep people the cause of keeping treatment. Secondly, through the process of work design, so that the work itself have the incentive, but also need to focus on the needs of employees, to create more growth opportunities for employees to develop their potential. In addition, building a reasonable, fair and effective compensation system is an important issue facing the company. Only through improved human resource management situation, improved incentives and satisfaction that can lead to better development.

6. Conclusion and implications

This study has determined the relationship between motivating factors and HRI; the causes of motivational problems related to the satisfaction of personnel working in Taiwanese firms in Vietnam, and discussed the most suitable way how to motivate employee. While motivating employee, we need pay attention on the following issues:

(1) Ensure the legitimate benefits of employees

A main cause of work stoppage strike in the multinational enterprises in Vietnam is that there is no guarantee the legitimate benefits of the employees. When the employees are hired by the enterprise, the enterprise should handle according to the state's provisions and the enterprises' promises. Employees of the enterprise will naturally take enterprise as personal life base and a lifetime career development. Employee benefits and business interests are closely linked. This can motivate employees to care and wholeheartedly contribute to the development of the enterprises.

(2) Research the needs of employees and change the way of "managing" employees

Vietnam's economy has recently developed rapidly, the environment change is very quickly, most of the problems the multinational companies faced are new. Many companies still use old management methods such as enhancing people's workload to increase labor productivity. The Taiwanese enterprises in Vietnam are no exception. But at present to develop enterprises only relying on "manage" staff is no longer adapted to the modern management, has become a bottleneck. The employees are the core of the production activities. Allow employees to assume greater responsibility, paying more attention to the needs and "leader means make being leaded freedom".

(3) To satisfy the different needs of employees

Vietnam is a developing country, the material basis is still relatively weak, first level employee life encounters many difficulties. Thus, the relation between the first level employees and enterprises is mainly economic relation. The employees attach great importance to how much of the income. By rising wages, increasing welfare, insurance and so on can solve the problems of the most first level employees. The middle-level staff have not only focused on the income but also look forward to working with the common development of enterprises, need for power and status, need for participation. The senior managers are sent by the parent companies. They need to have the ability to adapt to a new environment, understanding the environment, law, culture, human resources and other factors of Vietnam.

(4) Trust employees

Japanese often say: "Business success depend on the directors, trust the ability of employees or deny them". In Vietnam, many foreign firms have perspective about managing employees "doing your jobs, it's all right" and lack of trust, care and help employees. But only trust and love can make employees feel respected, valued, and on this basis to produce a high sense of responsibility, sense of mission, put their heart and soul into finishing their work.

(5) Set up the reasonable incentive policies

While setting up the incentive policies, enterprises should pay attention to the Vietnamese collective spirit and cultural characteristics. To improve labor productivity, enterprises can implement incentive, wage policy but should not put reward individual in primacy. Because putting reward individual in primacy will give the friendly between employees some trouble and disturb group harmony. The reward should encourage collaborative team.

(6) Creating a warmth management atmosphere

Stability of the product quality depends on the stability of the staff. Vietnamese people emphasis on harmonious relations and collectivism spirit. Therefore, if the enterprises can give employees the chance to create a warmth management atmosphere; they will have a positive attitude. A positive attitude has important implications for an employee's work performance and intentions to stay with or quit an organization.

(7) Two-way communication in the organization

In Vietnam, multinational enterprises have not paid enough attention to employee communication. Due to cultural differences, language differences, production level differences among countries and among people causing misunderstand and conflict is inevitable. Thus, the communication between enterprises and employees is very important to solve the dissatisfaction between the two sides. Harmony is the basis of the survival and development of enterprises. The enterprise should establish trade union to solve the conflict between workers or workers and management. Trade union will reduce direct confrontation between workers and managers, cultural conflict and allow production to run more smoothly, transform cultural diversity into corporate.

In this study, due to limitations of time and finance, the number of firms and surveys are still small. The future studies need to gather more than the data in order to assess the issue in a comprehensive way.

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