



Research Article

A Case Study of Employees' Performance at Prime Group Vietnam

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Abstract

Improving performance is an important goal of modern management. The quality of the workforce is a deciding factor behind organizations' success because employee performance has proven to have a significantly positive effect on their performance (Collis and Montgomery, 1995 pp. 118-128). There is a growing recognition that the primary source of competitive advantage is derived from an organization's human resources (Brewster and Carey et al., 2003). This case study of Prime Group, the leading group in producing construction materials in Vietnam with 10 factories nationwide and one of the top five in the world in this field, examines the correlation between employees' performance and the overall performance and productivity of the company. The aim of the study was to find solutions to improve the company's productivity through improving its employees' performance. The research used a combination of qualitative and quantitative methods to analyze data. Quantitative data were collected through a survey of 500 Prime employees, divided into three groups: managers, office staff and manufacturing workers and analyzed with the help of SPSS software. Qualitative data were collected through in-depth interviews of the same groups. Through the analysis, the study proposes possible solutions to address the company's current problems and increase its employees' performance.

Keywords: employee performance, human resource management, work outcomes, competitive advantage.

Introduction

Background

History

Prime Group Co., Ltd was founded in 1999 in Hanoi. Originally named VinhPhuc Co.,

Ltd, the company had an annual capacity of two million sqm of ceramics. By the end of 2006, Prime Group had become one of the leading companies in Vietnam in ceramic tile production as well as a multi-functional group with five main areas of business: construction material, mining, transportation, real estate and trade.

As of 2013, Prime Group has become the leading group in producing construction materials in Vietnam (Tran, 2013). The company now employs 5,000 employees and has 10 factories in Vietnam that manufactures a broad variety of ceramics, granite, porcelain wall and floor tiles, decorative tiles, border tiles and also German clay roof tiles. Prime Group products are sold in many domestic markets and regions throughout the world.

Prime Group is committed to unceasing innovation in technology and improving human resource quality so as to continually launch new lines of products with high standards and maintain the leading position in the construction material industry in Vietnam. The company also invests in sustainable development and contributes to the development of the community.

Achievements

Prime Group's thirteen-year path to its current position of a leading construction material manufacturing group in Vietnam owes itself to the company's strategic focus on human resources. With an entrepreneurial and collaborative culture, Prime Group combined its internal strength derived from a united, well-trained workforce with external help from an expansive network of organizations and unions. This approach resulted in a stable path to success for the company and a healthy business environment for the Vietnamese economy in general. Thanks to this strategy, Prime Group is now positioned as the top company producing construction materials in Vietnam (Tran, 2013).

Awards (since 2007)

In 2010:

- Awarded the Banner in 2010 by the Prime Minister for being the leader of the emulation movement for business achievements.
- Awarded the Merit for achievements obtained from the emulation movement

of good working and the establishment of a solid and strong labor union in 2010 by the Vietnam General Confederation of Labor (Decision No. 28/QĐ-TLĐLĐVN dated 10/01/2011).

- Awarded the Merit for outstanding results of organization and performance of local cultural, sport and tourism in 2010 by the Ministry of Culture, Sport and Tourism (Decision No. 198/QĐ-BVHTTDL dated 20/01/2011).

In 2009:

- Officially recognized for outstanding achievements of production and business and its active contribution to the development of the Vietnamese enterprise community by the Vietnam Chamber of Commerce and Industry (Decision No. 2840/PTM-TĐKT dated 29/09/2009).

In 2008:

- Awarded by the Government with the banner for being the leader in the emulation movement in 2008.
- Awarded by the Central Committee of Young Entrepreneurs Association of Vietnam with the Vietnam Gold Star Cup.

In 2007:

- Awarded the third labor medal by the President (Decision No. 1287/QĐ-CTN dated 08/11/2007).
- Awarded a merit from the Ministry of Industry and Trade dated 06/01/2008.
- Awarded a merit for the company's compliance with the tax policy by the General Director of Directorate of Taxation with the (Decision No. 827/QĐ-TCT dated 26/06/2008).
- Awarded a merit for excellent results in establishing, developing brand name and participating in the global economic integration by the National Committee of International Economic Cooperation (Decision No. 68/QĐ-UBQG dated 01/09/2008).

Basic Economic Targets Achieved

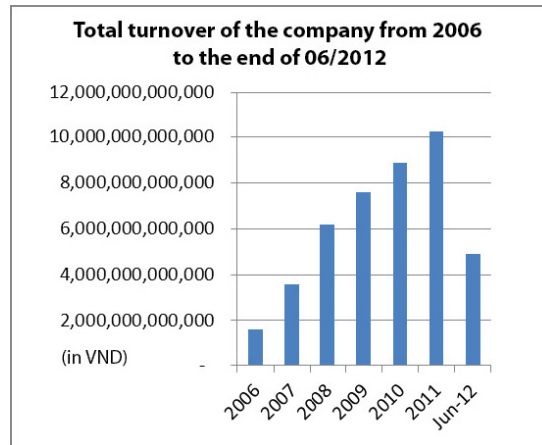


Figure 1: Total Turnover of the Company from 2006 to the End of 06/2012

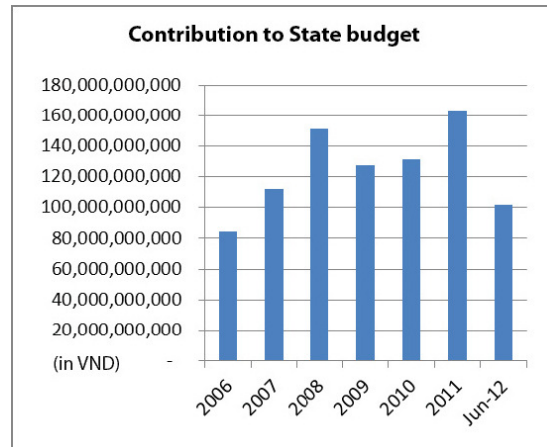


Figure 2: Total Amount of Tax Payment from 2006 to the End of 06/2012

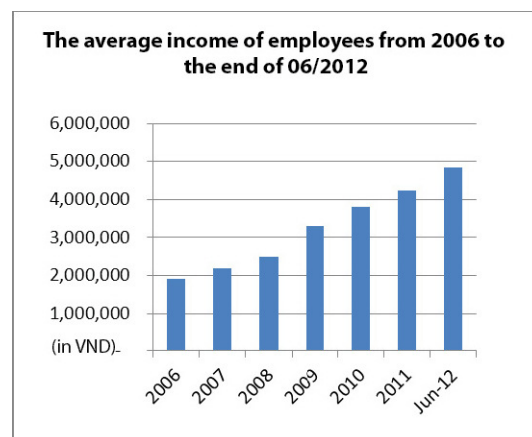


Figure 3: The Average Income of Employees from 2006 to the End of 06/2012

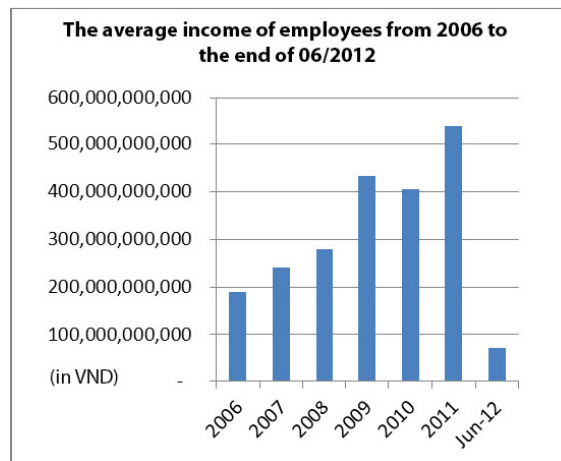


Figure 4: Profit before Tax from 2006 to the End of 06/2012

Management System

Prime Group has adopted a centralized management model that integrated a unified matrix to control and manage multiple aspects of operations such as Finance - Accounting, Procurement and Supply, Sales and Marketing, Production, Technology, Human Resource and Administration. The model includes:

- Standardized system: Plan, policy, regulation, procedure, rules, standards and production norms are harmonized among Prime Group's activities.
- Planning system, policy and management system at company-level complies with the ISO 9000:2008 standard.
- Prime Group applies Enterprise Resource Planning (ERP) in which real-time data are gathered in one place.

In general, Prime's management system covers every aspect of business and renders a useful impact on the fulfillment of leadership, checks, assessment, and internal review. The system is continually and properly amended, supplemented and updated in order to meet the legal requirements, management system standards and leadership improvement.

However, the management system of Prime Group is still facing some shortcomings and there is room for improvement:

- The unavailability of an orthodox, comprehensive and independently-verified system;
- The unavailability of an official definition of validity and its scope between Prime Group and its member companies;
- Although the promulgation and amendment is maintained, the control and internal audit process has been underperforming, which reduced the effectiveness of the system during its implementation;
- The online E-doc system is still limited while the update is not as expected; being only properly done at Prime Group level;
- The completion of ISO system for the member units is still under operation, to be finished at the end of September 2012;
- The decentralized system of the two relatively independent levels led to overlapping and inconsistency within the policy.

Human Resources

Systematic Organization

Prime Group directly manages the operation of its member companies, making decisions regarding recruitment, appointment, rewards, discipline and treatment of the board of directors as well as every management position of its member companies.

The scope of Prime Group's management enables a unified solution to human resource cultivation, maximization and capability development as well as effective control of operation activities and fair treatment of employees at all levels.

Human Resource Plan

By clearly defining current working demands and investment plans for the near future, Prime Group and its member companies are able to maintain and control an effective human resource plan. For example, every position is analyzed from the beginning to the end to determine the pay rate. This approach helps optimize the time spent on the job, prevent strikes, enhance productivity and foster fair treatment.

To ensure harmonious human resource management throughout the entire group, Prime also utilizes a standardized analysis table, which serves as the basis for job description and procedures across its member companies.

The company establishes a unified system in order to define the human resources' plan, recruitment, training and treatment plan as well as labor costs. This analysis table is the basis for the completion of job description and procedures as well as management norms. Besides, the company also implements thorough welfare and treatment policies which cover income, reward and welfare.

Prime Group's capability improvement program for management and employees focuses on three aspects: specialized knowledge, working skills and working

attitude; and includes training courses together with communication and coaching programs. The company also has an appropriate policy on Environment, Health and Safety, and Labor Relations.

Nonetheless, problems in employees' performance are still prevalent, such as (1) The compliance of management in member companies being not good enough, (2) The overall attitude and responsibility towards the company's goals being rather low, (3) Working results being at modest levels, (4) Pro-activity towards self-improvement among employees falling behind external requirements of change, (5) Employees' contribution to the human resource plan being not as high as expected, and (6) The effectiveness of work being rather low.

Literature review

This empirical research proposes a framework to identify the relationship between employees' performance and compliance, work attitude, work outcome, self-improvement and contribution of employees in Prime Group.

Every organization has to utilize all resources at their disposal to overcome challenges and achieve strategic goals. Resources available for an organization include but are not limited to fixed assets, current asset, and intangibles such as social capital and human capital. In a time of cut-throat competition in the market and unstable environmental conditions worldwide, it is essential for companies and organizations to utilize all of their resources to gain competitive advantage, especially human resource as it has been proven to be a sustainable factor that is possible to improve through proper management. It is important for management to find a system to develop employees' capacity and motivate them to improve. Companies should also set up a feedback system to assess their employee performance and adjust strategy accordingly.

Indeed, review of employee performance records is an important part of operations in modern businesses. The most common

form is annual reviews of individual employees done by managers. The feedback gathered from those reviews will then be discussed between managers and employees before being signed off. Some aspects of performance management include assessing employees' effectiveness on the job, aligning the goals of the organization with individual goals and addressing the needs of employees in order to retain talents in the company. The purpose of performance management is to ensure that most of the human capital is utilized and directed towards business success. Despite its importance, in many cases, managers fail to comprehend the role of this process in driving greater performance. It is crucial that a business owner or manager understands the foundation of "performance" and how to assess employees from a performance-oriented perspective.

Theory of Compliance

Compliance is the linchpin of modern society. From urban planning to business running, every aspect of life in the modern day needs certain regulations that are complied with by the people to maintain the order of society. Similar to the case of residential zoning ordinances, it is necessary for businesses to build a compliance program, educate employees about what they can or cannot do, and set consequences for violation. In both cases, the active participation and abidance of individual members is mandatory to make the program work. This concept was recognized by the United States Office of Inspector General (OIG) under "compliance as an element of employee performance" (Nicole, 2000). The implication is that understanding, participating in and adhering to the requirements of the company's compliance program should be factored into the employee's performance assessment. The question of what aspects that "compliance" covers yields diverse answers. Overall, compliance can cover rules, regulations, policies, processes and procedures. Johnson & Johnson is an example of a multinational company whose policies and regulations work well towards the business success. In their Policy

Business Conduct, the company clearly draws the line of what is acceptable and what is not on multiple fronts – antitrust laws, environmental regulations, healthcare, labor policies, and security laws, among others.

The need for compliance in the workplace is, first and foremost, to reduce risks especially in companies where employees are exposed to tasks with high rates of injuries. The most commonly found area where strict compliance is present is in construction companies where workers are trained in safe procedures to reduce industrial accidents. In those companies, employees' understanding of and compliance with procedures are utmost important. As a construction material company, Prime Group is not an exception. Diaz and Resnick (2000) identified several factors that may affect employees' willingness to comply, such as incentive system to reward compliance, managerial commitment to safety, primary goals set forth by managers and individual perception of safety.

Theory of Work Attitude

Economists have been hesitant to acknowledge the link between attitude and performance, as the former is deemed a subjective variable. However, employee attitude can have significant economical impacts on a company, as argued by Freeman in his National Longitudinal Survey (1966-71) and Michigan Quality of Work Survey (1972-73). Since Freeman laid the foundation for a change in the way we view attitude as a factor in performance, numerous empirical studies have established a connection between attitude and performance.

In a time when human capital is considered one of the most important resources for business success, the link between employee attitude and workplace performance has been the topic of much research in organizational behavior (Weiss and Cropanzano, 1996). While attitude is a broad psychological concept, in this paper we will mainly focus on the job satisfaction aspect of work attitude.

Organizational behavior studies on job satisfaction emerged and developed rapidly in the late twentieth century. In his Range of Affect Theory, Locke (1976) coined the most-used definition of job satisfaction as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences” (Locke, 1976, p. 1300). He recognized the two interconnected elements that comprised job satisfaction: affect (emotions) and cognition (thoughts). The implication of Locke’s finding is that our thoughts influence our emotions and the way we feel influences the way we think. Both sides of this interlocking relationship are important for performance improvement. This is a progressive move from the traditional managerial approach which only focuses on controlling external factors such as working environment and rewards system, etc. Organizational behavior research since the early twentieth century has recognized that personal factors, such as cultural background and emotional state also affect an employee’s job satisfaction. Indeed, Staw and Ross (1985) were among the first to argue that the level of satisfaction of a person is stable over time regardless of situational changes in position, job and company. Hofstede (1980, 1985) found the importance of culture in shaping employee attitudes. According to Hofstede, the main dimensions of culture that affect attitudes are (1) individualism – collectivism; (2) uncertainty avoidance versus risk taking; (3) power distance and (4) masculinity / femininity. This was among a large body of research done in the last twenty years that emphasizes the dispositional source of job satisfaction (Arvey and Bouchard et al., 1989, pp. 359–383; House and Shane et al., 1996, pp. 203–224). Some researchers have attempted to explain the dispositional causes of job satisfaction by looking into the psychological factors behind them (Erez, 1994, Weiss & Cropanzano, 1996). A series of studies by Judge and his colleagues found that the personality trait that has the most influence on job satisfaction, core self-evaluation, is linked to the employee’s own perception of the job itself (Judge & Bono, 2001, p. 80). The limitation of those studies is that they

mostly demonstrate correlations instead of causation relations and thus, are lacking of explanatory value as to how personal factors influence performance in future cases. Nonetheless, they draw our attention to not only situational factors but also dispositional or personal factors when assessing job satisfaction.

The question worth pondering here is how companies can influence personal elements to increase job satisfaction. Saari and Judge (2004) pointed out that selecting the right people and placing them in the right positions is one way to improve satisfaction. This is not to say that we should dismiss situational influence altogether. To the contrary, the nature of the work plays an important role in affecting employee satisfaction (Judge and Church, 2000, pp. 166–198, Jurgensen, 1978, pp. 267–276). Thus, the adjustment of work-attitude-oriented management needs to start with modifying situational factors by making the work more interesting, challenging and rewarding.

Job Satisfaction and Withdrawal Behaviors

When assessing the performance of a company, two measurable economical elements that can be used are employee turnover rate and absenteeism, both of which exemplify withdrawal behaviors. High employee turnover rate and absenteeism are unfavorable because they cause delays and disruptions in workflow, thus increasing labor cost. Multiple studies conducted in the United States and other countries in Europe confirm the negative relationship between employee satisfaction and employee turnover rate (Akerlof and Rose et al., 1988, pp. 495–594; Clark and Georgellis et al., 1998). Likewise, dissatisfied employees are more likely to quit or be absent, as proven by Hackett & Guion (1985) and Kohler & Mathieu (1993), among others. However, not all sources of dissatisfaction result in decisions to quit. Clark, Georgellis and Sanfey (1998) found that (dis)satisfaction with the type of work has more influence on quitting decision than (dis)satisfaction with job security. Frijters, Shields and

Wheatley-Price (2007) found that monetary reward is less effective than immaterial improvement in reducing quitting decisions due to dissatisfaction. In the same vein, Vroom (1964) found that low satisfaction results in high absenteeism. The implication of those studies is that the unwanted economical consequences of employee turnover and absenteeism are directly linked with employee attitude. In this way, we can measure the financial value of attitude through studying the relationship between a subjective element like satisfaction and withdrawal behaviors such as quitting and being absent which bear economic consequences.

Theory of Work Outcome

There have been many studies that sought to establish a theoretical framework for assessing work outcomes. Dyer and Reeves (1995) identified three types of outcomes – financial, organizational and human-resource-related (HR-related). Financial outcomes include revenues, profits, return on investment; organizational outcomes include product and service quality, innovation, and effectiveness; and HR-related outcomes include positive attitude and behavior from employees. Collins, Ericksen and Allen (2005) examined multiple theories regarding how Human Resource Management (HRM) influences employee outcomes, which, in turn, affects operational and/or financial performance. They identified five types of employee outcomes and their impacts on business performance:

- Commitment to supervisor
- Trust in management
- Cooperation with others and being cooperative
- Effort and involvement
- Turnover intentions

The study found that companies that have good financial growth tend to have high employee effort and involvement and low

employee turnover rates. The latter was also proven to be a competitive edge. Another important group of stakeholders are the customers. The study found that companies with high customer satisfaction display common characteristics in their labor force, such as high commitment to superiors, firm trust in management and a cooperative mindset. Moreover, high trust in management also correlates with good product/service quality and new product development.

It is crucial to address employee-supervisor relationship because it stands behind two of the five employee outcomes that Collins, Ericksen and Allen (2005) pointed out in their study – commitment to supervisor and trust in management. Since this is a mutually beneficial relationship with a hierarchy, we can utilize the power dependence theory by Emerson (1962) to explain its nature. The basis of Emerson's theory is that power resides on one party's ability to control what the other party values. When applied in business, this theory means that employees are dependent on their supervisor when the supervisor has the power to provide what their employees desire, such as tangible and intangible rewards (Emerson, 1976, pp. 335–362; Casciaro and Piskorski, 2005, pp. 167–199). When the employees perceive the rewards to be a proper acknowledgement of and a fair compensation for their good performance, they will be motivated to continue their efforts as a means to obtain more rewards. Indeed, many studies have found a positive correlation between supervisor rewards and employee productivity, performance and satisfaction (Simon, 1976; Hunt and Osborn et al., 1981).

Theory of Motivation

The question of how to motivate employees has become one of the foremost concerns for managers because a motivated workforce has been proven to drive an organization's productivity and profitability (Carlsen, 2013, pp. 14–15). Motivation can be defined as the psychological force that drives a person's behaviors. In his influential paper, "A

Theory of Human Motivation,” Maslow (1943) set the framework for assessing motivation based on a hierarchy of needs. According to Maslow, humans have five basic needs as followed, arranged in the order of importance to human life: physiological, safety, love and belonging, esteem, and self-actualization.

Lewin (1951) acknowledged the role of both personal drive and the environment on motivating desired behaviors. Likewise, Herzberg’s Two Factor Theory (1959) pointed out that there are two separate sets of factors in the workplace that cause job satisfaction and job dissatisfaction respectively. He broke down motivation into intrinsic and extrinsic. Intrinsic motivation refers to internal, personal sources of motivation such as an employee’s own interest in the job whereas extrinsic motivation refers to external sources of motivation such as rewards and recognition from management.

Theory of Competitive Advantage

In the context of increasingly cut-throat competition on both a domestic and global scale, the pressing question for every organization is how to create and maintain competitive advantage. Creating sustainable competitive advantage boils down to developing valuable and scarce resources and capabilities (Collis and Montgomery, 1995; Prahalad and Hamel, 1990). In the scope of this project, the question we need to address is what role human resource management plays in creating and maintaining competitive advantage?

Given the two most important qualities of competitive advantage – value generating and not being imitable (Barney, 1991, pp. 99–120), human resource management can work to recruit and retain exceptional human capital that contributes significantly to the firm’s competitiveness. In order to achieve this goal, management should make sure that employees are carefully selected and trained to have proper skills, motivated to deliver exceptional products and services to customers, and encouraged to contribute to a unique corporate culture.

Indeed, not all employees can be recruited and trained to become a source of competitive advantage for a company. Barney & Wright (1997) pointed out the importance of having unique and valuable employees as opposed to those that perform repetitive tasks and thus, do not add value to the firm (Barney and Wright, 1997). Moreover, effective human resource management for competitiveness is as much about recruiting exceptional talents as it is about fitting them in proper positions and managing them so that their strengths play out to benefit the organization. Previous studies have also proven the connection between social capital, corporate culture and the development of organizational capabilities (Barney, 1991, pp. 99–120; Reed and Defillippi, 1990, pp. 88–102).

Theory of Productivity

Productivity is another key component of business success. Bartel, Freeman, Ichniowski and Kleiner (2003) found a positive correlation between satisfaction and productivity. Some empirical studies looked into the source of satisfaction that impact upon productivity and found mixed answers. Vanek (1970) argued that giving employees active ownership of the work would motivate them to improve productivity. Contrary to Vanek’s finding, Jones (2007) compared Italian construction firms that operate with a co-operative (co-op) model with those that follow the traditional top-down management style. The productivity level at the co-op companies where employees are given higher ownership of the job does not prove to be higher than that at the traditional companies. The relationship is not as straightforward in reality. Kruse and Blasi (1995) found that ownership could have a positive or negative impact on employee attitude. Their study demonstrated that employee ownership only works if the extra responsibility brings tangible and intangible benefits to the employee. Otherwise, once the ownership is perceived by the employee to be a burden, their productivity may even decrease.

Research Methodology

This section justifies the choice of the combined quantitative and qualitative method used in this study. All necessary checks and balances were considered to ensure the results would be valid, reliable, practical and generalizable. The main criteria underlying the choice of using both a qualitative case study and quantitative survey instrument were construct validity, reliability and the ability to generalize results.

The researcher has stated the main problems that have been affecting employees' productivity in Prime Group. These problems were then considered to be factors that, if they were changed, then the Prime Group employees' productivity would change accordingly. They were identified as independent variables in this research.

This research seeks to provide an empirical framework to identify the relationship between employees' performance and employees'; compliance, work attitude, work outcome, self-improvement and contribution in Prime Group. All these five independent variables are potential determinants in increasing employees' performance at Prime Group. There are

some determinants that have significant and obvious effects on an employee's performance while there are others with impacts that still need to be studied.

In this study, a consideration of variables associated with the problem are under review, thus this becomes a study of correlation

Research Hypotheses

Based on the research framework (fig. 5) and research questions, five research hypotheses have been developed to test the relationship between employees' performance and the following factors:

H1: There is a relationship between compliance and employees' performance.

H2: There is a relationship between work attitude and employees' performance.

H3: There is a relationship between work outcome and employees' performance.

H4: There is a relationship between self-improvement and employees' performance.

H5: There is a relationship between contribution and employees' performance.

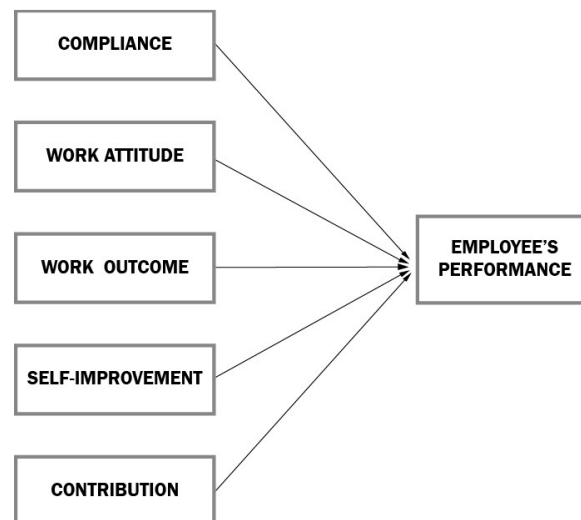


Figure 5: Research Framework

Sampling and Selection of Participants

In order to ensure that the final results of the research are valid, reliable and relevant, it is necessary to develop a sampling strategy to select a good cross-section from the employees of Prime Group.

In this research, the sample for the evaluation of employee performance was selected randomly from several factories and departments within Prime Group and divided into three groups including manufacturing workers, office staff and managers. The researcher contacted the Human Resource department and representatives from each of these sample groups for confirmation of participation. One of the key criteria that helped the survey to be successful and ensure its precision was that participants were randomly selected from throughout Prime Group.

This section discusses the types and methods of data collection used for research.

The selected participants are divided based on age (20–30 years old, 30–40 years old), level of position (intermediate, high), position (60% worker, 30% staff, and 10% manager), salaries (\$200, \$400, \$1,000 to \$2,000). This study uses a combined quantitative and qualitative methodology with questionnaires and in-depth surveys. The survey was designed so that all the active variables were covered.

DataCollection

In this study, collected data came from employees as a result of combined quantitative and qualitative studies and the product was analyzed together with information from secondary data to offer a qualitative conclusion. Data collection: primary: interview, secondary: For this research, it was possible to approach data not fully exploited by original collectors of the data and from a different aspect as this is a private own source of data which can

be exploited by only people in Prime Group. Experiential: observation of the researcher.

The questionnaire includes sections as followed. It was designed according to the independent variables so as all research hypotheses can be tested easily based on items per section.

Section A: Demography

Section B: The employees' compliance

Section C: The employees' attitude

Section D: The employees' outcome

Section E: The employees' self-improvement

Section F: The employees' contribution

Section G: The employees' performance

The survey consists of two parts. The first part of the survey is interviews with Prime Group managers, seeking a general picture of department type, background of employees including experience, education, and work content. And the second part is for employees whose answers would help determine the research results.

The researcher personally collected all data and was involved in every instance, thus while the names and personal information of the participants were kept anonymous and confidential, everyone was surveyed personally in order to have the highest percentage of respondents completing the survey.

In this research, individual answers or scores had no relevance, for the unit of analysis was an event rather than a firm or an individual, and the researcher ensured the anonymous nature of the surveys, thus ensuring that there were no ethical considerations to consider. In addition, participants had the rationale of the survey explained and were able to cease their participation at any time without reason

Data Analysis

A multivariate analysis design, which allows the simultaneous investigation of more than two variables (Zikmund, 1997, p 657), was chosen to analyze the data.

Data analysis: SPSS was chosen to analyze data for this research survey. However, whilst the SPSS program was used to seek patterns within the data, as there were only a relatively small number of cases, in order for the richness and depth of meaning to be extrapolated, additional software was not considered necessary.

Data Analysis

This chapter provides a thorough analysis of the research problem and seeks answers to the research questions through different research approaches. The triangulation of the analysis helps narrow the gap in increasing employees' performance in a manufacturing group in Vietnam. This triangulation of the data analysis is necessary to include all of the factors that might have had impacts on employees' performance in Prime Group.

The survey began with preliminary interviews with managers and some manufacturing workers in several factories in order to have an overall picture of the employees' performance as well as to listen to their objective opinions regarding performance-based promotions within the company. The elaborated answers provided through in-depth conversations were very helpful in providing a multilayered picture and opened up different possible explanations for the situation. These interviews will be the source for the qualitative analysis phase.

Also, through this series of preliminary interviews did the researcher recognize the drawbacks of face-to-face interviews and decide on the quantitative approach.

Because the researcher tapped into both manager and worker levels, regardless of the strict confidentiality standards that the research process followed, many interviewees were hesitant to express their real thoughts due to concerns of the potential consequences of publicly disclosing what they thought. Thus, the researcher also conducted anonymous questionnaires to allow the groups under study to express their opinions more comfortably.

The second and final phase of this analysis applied a quantitative approach where the researcher distributed 500 questionnaires to the randomly selected sample group. The data collected from these questionnaires were analyzed using non-parametric analysis techniques. Factor analysis was applied. The findings of this phase complemented the qualitative phase, where five factors were addressed and only two of them were influencing factors to employees' performance.

Qualitative and Quantitative Research

Multicollinearity

According to Sekaran (2003), multicollinearity refers to "the successive inclusion of additional variables that lift the collinearity of the full set of explanatory variables to a 'harmful' level". This is when additional variables closely correlate with other variables in the model and contribute relatively little to the prediction. The most common measure of multicollinearity is the variance inflation factor (VIF). In quantitative research, a VIF level exceeding 10 means that multicollinearity may cause estimation problems. Table 12 shows the VIF values for the five independent variables in this study. The values of the independent variables are in the range of 1.101 and 2.632, which is much lower than 10. Therefore, multicollinearity issues do not exist.

Table 1: Test of Collinearity

Independent Variables	Tolerance	VIF
Compliance	0.380	2.632
Work Attitude	0.577	1.732
Work Outcome	0.909	1.101
Self-improvement	0.461	2.171
Contribution	0.856	1.168

Employee Compliance

There were five issues mentioned in measuring employee compliance among Prime Group – compliance training, compliance policies, compliance is easy,

violate and trouble. Most participants answered straightforwardly about the policies related to compliance to workplace regulations and whether they would be in any trouble if they did not comply precisely with the regulations of the corporation.

Table 2: Employee Compliance in Prime Group (%)

	Compliance training	Compliance policies	Compliance is easy	Violate	Trouble
Manufacturing workers	60	68	34	32	92
Office Staff	44	78	64	88	48
Manager	94	90	72	90	40

As regulations are the tool for managers to manage their staff and control work processes, most managers being asked felt that complying with corporate regulations was obvious and not many of them saw any trouble if someone was caught violating a regulation and reported to the management level. However, the response was very different among manufacturing workers. Most of them understood that memorizing all of the company's regulations and keeping them handy were important to their daily work, yet they admitted that, in reality, it was not easy to strictly comply with the regulations due to their positions or work characteristics. They also tended not to think of reporting

any violations as sometimes the people who violated the regulations were their peers or a higher manager.

“All of us can make mistakes sometimes due to personal reasons or objective reasons, we should have sympathy for each other rather than reporting the mistakes to managers”, said an interviewed manufacturing worker. They thought that ignoring rather than reporting violations of company regulations would be good for their peers and for themselves. However, they failed to grasp the overall effects on the company level as well as the long-term damage to the regulation of the company.

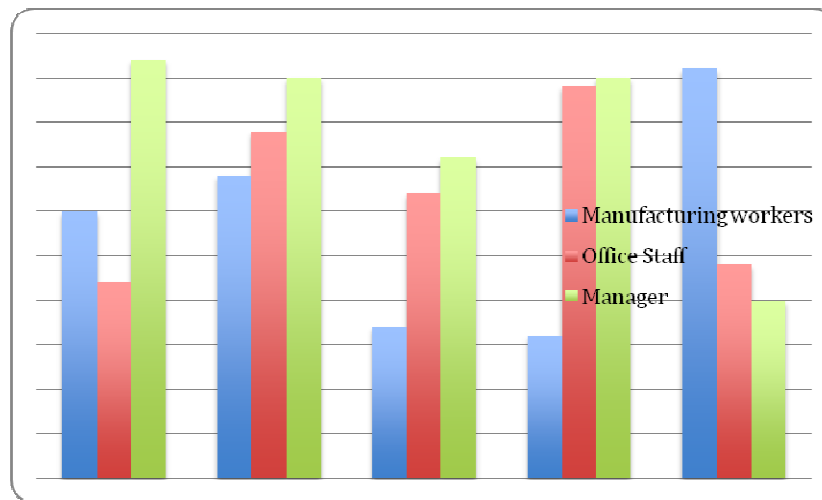


Figure 6: Compliance Percentages among Three Groups of Population in Prime Group

Office staff often falls in between managers and manufacturing workers in their responses. They agreed with the managerial group that regulations must be complied with; 64% of them thought that regulations were easy to comply with. However, they were mostly medium ranking staff; their responses were similar to those of manufacturing workers who thought that it was not always true and necessary to report someone who violated the company's regulations. A staggering 48% of the office staff interviewed said that they might be in trouble if they reported any violation. Office staff was the group that received the least compliance training in the corporation, with only 44% of them having participated in a company compliance-training program. One of the reasons for the low participation rate in the compliance training program among office staff was that most of them worked on positions that, according to the corporate management, did not have many regulations.

Employee Attitude

Employees' attitude is a very important matter to all corporations because they are closely related to productivity and performance. In fact, productive and loyal workers play a crucial role in the success of a company. It is reasonable to assume that satisfaction is the most desirable employee attitude. Yet a common mistake that many managers tend to make is to assume that high performing workers have the kind of attitude that is favorable for the company's performance and development. This is not always the case. There are productive, high performing workers who are willing to switch to a new company once a better opportunity comes up and there are workers who stay with the company for many years who are not the most effective problem solvers. Above all, it is not correct to assume that an employee's performance reflects the whole picture of his or her satisfaction towards the job and the company.

Table 3: Employees' Attitude (%)

	Work hard	Loyal	Effectively and efficiently	Highly productive	Responsible
Manufacturing workers	96	60	76	84	94
Office Staff	90	78	72	82	88
Manager	94	100	96	90	96

The survey revealed that, in general, most participants perceived that they had a good attitude towards their jobs. More than 90% of manufacturing workers and managers assessed themselves as hard working and responsible. However, when it came to effectiveness and efficiency, only 76% of manufacturing workers were confident that they possess this quality, compared to 96% among managers. There was also a very big difference between workers and managers in loyalty assessment. A remarkable number of 100% of managers confirmed that they possessed this quality while only 60% of workers acknowledged this quality among themselves. While it is expected that

workers, especially those in labor-intensive industries like the construction material industry that Prime operates in, are more prone to changing jobs due to better salary and benefits, forty percent of employees not perceiving themselves as loyal to the company is an alarming number that management should pay attention to and find ways to improve upon.

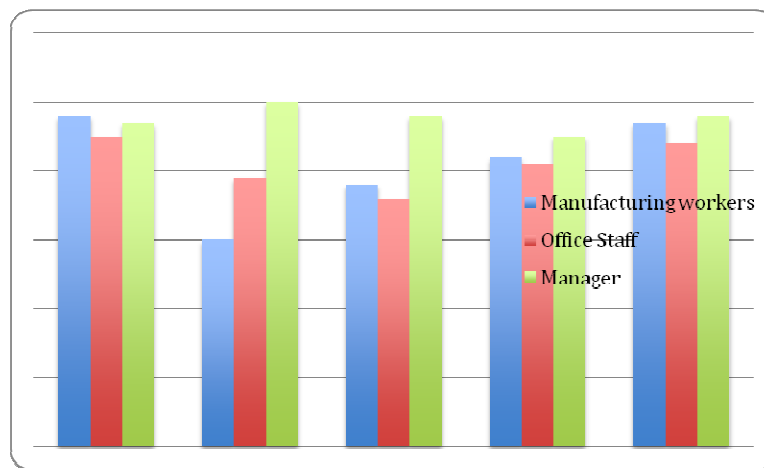


Figure 7: Employees' Attitude Percentages among Prime Group Staff

Office staff scored relatively low compared to the rest of the company in all aspects being surveyed, especially in self-perception of loyalty and effectiveness and efficiency. Only 72% of office staff thought that they were working efficiently and effectively. A potential reason for this low level of confidence in effectiveness and efficiency is because most of the office staff works in operational divisions where their main duties are to support the overall system and provide administrative work. The immediate results of their work may not be as discernible as those of the workers and managers, whose work results reflect immediately on indicators such as sales, performance and product quality, among others. Office staff also admitted a pretty low level of loyalty to the company. Only

78% of them reported to be loyal to the company. This is an area that needs management attention in order to find a proper solution to improve loyalty because, all other things being equal, it is more expensive to recruit and train new employees than retaining those who are already used to the job.

Everything a person does must provide some joy to him/her for a feeling of contentment from their performance. This joy should not be sought in the outcome of the job but in its performance from beginning to end. This requires that either the person does what he/she loves to do, or he/she seeks joy in everything he/she does.

Employee Outcomes

According to prior literature in the field of organizational behavior, employee outcomes might include a broad range of indicators, including commitment to the company, trust in management, higher levels of cooperation, higher levels of effort

and involvement, and a lower inclination for employees to leave the company. These positive individual outcomes will lead to higher levels of operational and financial performance. However, for the purpose of this research, employee outcomes were measured based on the opportunities through which employees could grow and develop their talent.

Table 4: Employee Outcomes (%)

	Opportunity	Work well	Recognition or praise	Use talent well	Do job better
Manufacturing workers	42	60	58	46	90
Office Staff	54	60	62	82	88
Manager	90	92	84	90	96

Following the same patterns in attitude assessment, compared to their subordinates, the manager group was more satisfied with their outcomes as they had more opportunities to grow and develop in their job. Their overall perception of the company was more positive; they found a stronger attachment to the company's performance. Likewise, more than 90% of managers reported that they could use their talent on the job and do their job better. This positive feeling of self-worth and ownership of the job would, in turn, serve as an intrinsic motivation for them to contribute to the overall performance of the company.

However, up to 16% of surveyed managers complained that they were not recognized reasonably for their contribution to the company. This is a point worth noticing for the company's leadership. As previous studies have pointed out, a mismatch between the employees' perception of what they deserve in exchange for their efforts at

work and actual compensation they receive from the company could act as a demotivation force that, in the long run, causes dissatisfaction and reduce work results among employees.

In contrast to the managers' assessment, manufacturing workers were quite pessimistic about their opportunities to grow and prove themselves in the workplace. Only 42% of workers saw that they had opportunities to learn and grow at work – an alarming number for a corporation like Prime. Some said that they did have chances to learn from colleagues and training courses but they had to strive hard to gain a promotion opportunity or develop their skills. "I attended some training courses when I began to work for the factory and during my probation, sometimes I also learn a new skill or technique from my colleagues but I don't think I have any chance of utilizing my skills or being promoted in the short or medium term", a manufacturing worker shared in the in-depth interview.



Figure 8: Percentages of Employees' Outcomes in Prime Group

Manufacturing workers shared that they also tried to do better in their jobs but their talents were not utilized appropriately. Only 46% of surveyed manufacturing workers said that they could make full use of their talent in their jobs. Given that human resources are an important factor in creating competitive advantages and improving the overall performance of the company, such a low level of talent utilization is unacceptable, especially in a large organization like Prime. If this resource is discovered and utilized, the benefits for the company could be remarkable.

Office staff and manufacturing workers at Prime also thought that they were not appropriately recognized or praised for their job, only 62% and 58% respectively. When staffs perceive that their efforts have not been recognized and rewarded properly, they will be hesitant to devote themselves to their work in the long term. In fact, immediate benefits such as recognition and rewards could have a profound impact on the long-term working attitude of staff, which would successively influence the final outcomes of the company. Although rewards and recognition as a source of

motivation is very common in modern organizations, not many business owners are able to apply a reasonable system of recognizing proper employee achievements to their company, hence the high rate of job-hopping among low ranking staff.

Self-improvement among Employees

Self-improvement at work is doable for many employees. Many just need some guidance in areas where they are deficient in skills and often, just a hint that they might be more efficient or in line for a promotion if they had a particular skill set, is enough motivation. An employer who provides on-site training from outside trainers or in-house developed programs, or provides access to on-line training programs or sponsors local training providers or schools, coupled with rewards for completed certificates or degrees, will benefit from an increasingly better-trained workforce.

In the case of Prime Group, "self-improvement" is determined by what an individual has to and should do to improve his or herself and overcome barriers to improve.

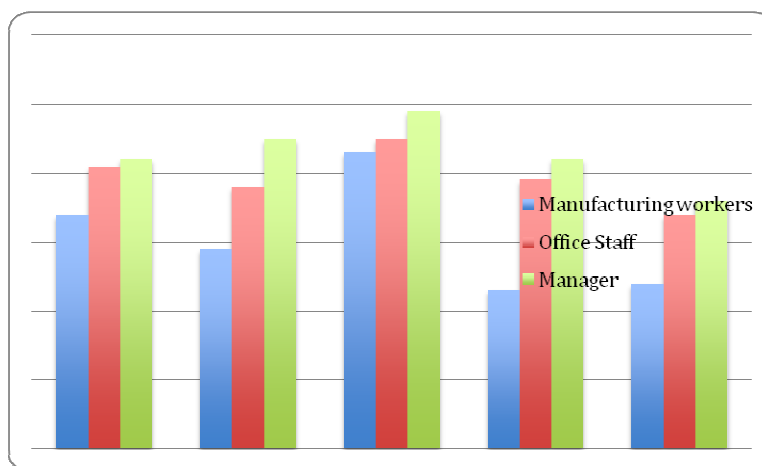
Table 5: Self-improvement among Employees (%)

	Improve myself	Know what to do	Make commitment	Overcome barriers	Know what strategies
Manufacturing workers	68	58	86	46	48
Office Staff	82	76	90	78	68
Manager	84	90	98	84	72

The results summarized in table 4.8 demonstrated that the willingness to make commitment to self-improvement among Prime employees was remarkably high - up to 98% among managers. Again, we saw a lower level of commitment among staff and workers compared to managers - 90% among staff and 86% among manufacturing workers. Nevertheless, having the willingness to self-improve is a positive starting point for people at Prime to further advance their selves and skills.

Overall, there still existed a wide gap between managers and employees' perception of self-improvement, especially when it comes to knowledge of what to do to overcome barriers and an ability to come up with a strategy for self-advancement. Despite their strong willingness to improve, manufacturing workers struggled to turn their will into executable, actionable plans.

Only half of the manufacturing workers being surveyed admitted that they knew what to do, how to overcome barriers and how to build a strategy to improve. In Prime Group, the percentage of employees who were confident in their ability to overcome performance barriers was not high, especially among manufacturing workers. Only 46% of them thought that they could improve themselves enough to overcome these barriers. Even only 84% of the manager group thought that these barriers could be addressed when their skills and knowledge were improved. To overcome potential barriers to self-development besides efforts from him or herself, an employee also needs significant support from the company. This is an area that management should pay attention to in order to help employees develop, as their improvement will contribute to the long-term health of the company.

**Figure 9: Employee Self Improvement**

Employee Contribution to the Group

Since contribution from employees is an important factor underlying a company's

success, human resource management comes down to the proper management of employee contribution. Human capital is the main source of competitive advantage today

and Human Resources is responsible for the design of the HR tools to develop, nurture and utilize the human capital of an organization. In this research, the researcher focused mainly on the

willingness of participants to contribute to the company in the forms of sharing skills/knowledge and improving their own performance based on the feedback received.

Table 6: Employee Contribution (%)

	Share knowledge	Share skills	Contribute time	Contribute efforts	Work better
Manufacturing workers	100	86	60	62	60
Office Staff	80	80	70	72	78
Manager	90	92	88	100	96

The level of commitment to give back to the company is exceptional among managers. All of the managers interviewed for the study said that they would contribute all their efforts to the development of the company. They were also willing to improve on their work and share their knowledge and skills with others. This is very important to the success of a company as the manager group has not only a broad skill set but also a thorough understanding of the systems. The fact that they are open to sharing their skills is very important for Prime to design training programs where the internal exchange of training and self-advancement information is fostered. Besides, all manufacturing workers under study were also willing to share knowledge with others. The company should cultivate this spirit and utilize it in its training program for newcomers.

More office staff was willing to share skills and knowledge than contribute extra time and effort and to improve their work based on feedback. Unlike in the case of managers and manufacturing workers, in all five aspects of contribution under evaluation, there was no aspect that received total agreement from office staff. There was always 20 to 30% of staff that were not willing to put in extra contributions in any form. When being asked about the reason behind their absolute unwillingness to contribute beyond what is expected of them, most of this particular group of staff

reflected three reasons. The first reason is the reward system that does not tend to recognize the efforts of office workers as much as factory workers. This resulted from the nature of business at the company.

Because Prime is a manufacturing group with a heavy focus on the productivity of the factory, there is not a thorough and comprehensive system to measure the improvement in performance of the office staff. The second reason is related to the first reason - 10% of the staff expressed dissatisfaction with their current salary and believed that should a better paid job opportunity arise they would take it into consideration. The third reason that was cited by half of the staff is that they have low expectations and motivation because they believe their day-to-day tasks are repetitive and without much new, challenging problems to solve. This same group also expressed low expectation in career advancement within the office segment of the organization. Therefore, even though the office staff is generally contempt with the working conditions, a third of the group under studied does not show any intention to contribute further to the organization.

While they were very willing to share skills and knowledge, manufacturing workers were reluctant to contribute their time and efforts to the corporation. Only 60% of them said they would contribute their time and 62% of them would contribute their effort to the company. When being asked about the reason, some said that they only worked for the salary and they understood that at their position, with low salary and not many opportunities to develop, there was no use to devote too much to the company. Besides, according to them, the recognition system of the company was not reliable and they were not confident in being appropriately appraised when putting in extra time and efforts for the company. Most manufacturing workers thought that

devotion was not a joy or a personal choice to them; they should be paid for their contribution. It is expectable for employees to match their performance to

compensation, especially for low-level workers. However, there is potential for a breakthrough in performance if Prime found a way to motivate their workforce beyond monetary rewards.



Figure 10: Employees' Contribution to the Corporation

The willingness to improve based on feedback is relatively low among manufacturing workers - 60% of manufacturing workers agreed that they would be willing to receive feedback and improve themselves based on that feedback. However, in-depth interviews revealed that some manufacturing workers believed that not all kinds of feedback were reasonable and suitable as sometimes the feedback came from people who did not understand the workers' jobs well.

Employee Performance

This research looked at factors that might have impacts on employees' performance, including compliance to job regulations, attitude to the company and their job, outcomes when working for Prime Group, self-improvement, and contribution to the development of the corporation.

Participants were also asked to assess their work performance and the factors that might affect their performance. Most employees thought that they would be willing to receive feedback from others to improve their work. They believed that they could work even better if the organization helped balance their work and life. This is an important issue in the modern working environment. The quality of life outside of work deserves managerial attention as it influences an employee's attitudes and productivity. Organizations that are able to support good qualities of work life relationships among their employees will have better productivity and happier employees. Respect from the organization is also crucial to employees. When they are respected and feel confident in their job, the employees tend to demonstrate more dedication and better performance. Cooperation among employees would also help employees improve their performance.

Table 7: Employee Performance

Variable names	Receive feedback	Do my best	work balance	Respect	Cooperation
Manufacturing workers	92	86	94	90	88
Office Staff	92	88	94	90	94
Manager	96	94	88	90	96

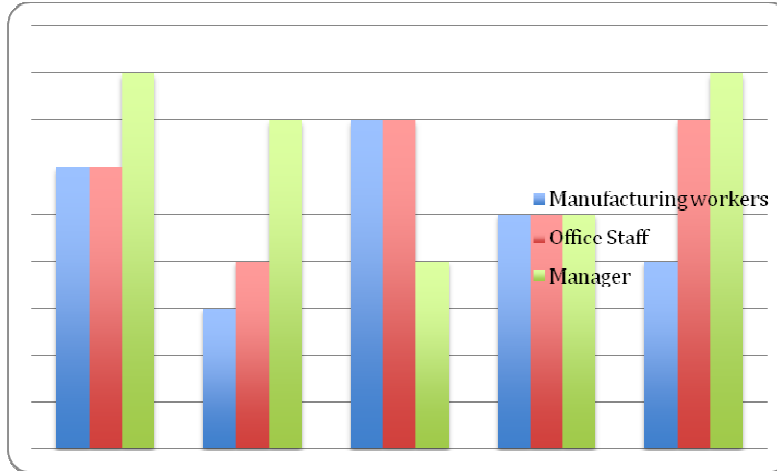


Figure 11: Percentages of Staff Agreeing about Factors to Improve Employee Performance

Quantitative Analysis

Reliability of Factors Test

All variables have high Cronbach’s Alpha values which are above 0.6 (Malhotra, 2013)

except for variable B which is 0.562. In other words, all variables are reliable to proceed for inferential analysis.

Table 8: Reliability Statistics

Variable	Reliability Statistics	
	Cronbach's Alpha	No. of Items
Compliance	0.562	5
Work attitude	0.832	5
Work outcome	0.819	5
Self-improvement	0.803	5
Contribution	0.817	5
Employees' productivity	0.822	5

Factors Analysis

To determine the appropriateness of factor analysis, examining the correlation among all of the questionnaire items is essential. This can be obtained through the Bartlett test of sphericity which tests the presence of nonzero correlations among the variables. Kaiser-Meyer-Olkin (KMO), the measure of sampling adequacy (MSA), is another indicator of factor analysis appropriateness that uses a range from 0 to 1 to determine

appropriateness. According to Tabachnick and Fidell (2007) and Pallant (2010), factor analysis is acceptable if the value of KMO is greater than 0.5. As Table 4.12 indicates, it has been verified that factor analysis in this study is appropriate as the Kaiser-Meyer-Olkin measure of sampling adequacy = 0.918, Bartlett’s test of sphericity is highly significant with a Chi-Square value = 5.073E3, at p value = 0.000. Hence, all the data are useful for the research.

Table 9: KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.918
Bartlett's Test of Sphericity	Approx. Chi-Square	5.073E3
	df	300
	Sig.	.000

The extracted Eigenvalues indicate that 5 variables can be extracted. Together, they account for almost 58% of the variability in the original variables. This suggests that five latent influences are associated with employees' performance, but there remains room for a lot of unexplained variation.

The R-Square shows that 48.2% of variation in DV can be explained by the five IVs.

The F-value is high and significantly ($p < 0.05$) indicates that the research model is robust.

Table 10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.694a	.482	.477	.33208
a. Predictors: (Constant), AVGIVF, AVGIVB, AVGIVC, AVGIVE, AVGIVD				

The table below shows that that AVGIVE and AVGIVF are significantly and positively related to DV ($p < 0.05$). AVGIVB, AVGIVC and AVGIVD are not significantly related to DV.

The research formula can be shown as below:

$$DV = 1.263 + (-0.011) \text{ AVGIVB} + (0.034) \text{ AVGIVC} + (-0.006) \text{ AVGIVD} + (0.224) \text{ AVGIVE} + (0.529) \text{ AVGIVF}$$

Table 11: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.263	.203		6.207	.000
	AVGIVB	-.011	.025	-.016	-.438	.661
	AVGIVC	.034	.037	.038	.907	.365
	AVGIVD	-.006	.040	-.007	-.141	.888
	AVGIVE	.224	.045	.234	5.024	.000
	AVGIVF	.529	.046	.512	11.426	.000
a. Dependent Variable: AVGDVG						

Summary of Hypotheses

After proposing the hypotheses, the researcher conducted statistical hypothesis testing which began with selecting and evaluating a sample group. Null and

alternative hypotheses were set for each corresponding hypothesis under evaluation.

There are 5 hypotheses in this study. Statistics are generated accordingly based on SPSS in order to assess all the hypotheses.

Table 12: Summary of Hypotheses

No	Independent variables	Results
1	Employee compliance	Not Supported
2	Employee attitude	Not Supported
3	Employee outcomes	Not Supported
4	Employee improvement	Supported
5	Employee contributions	Supported

Discussions and Conclusions

Implications for Corporations

This case analysis of Prime Group reveals issues and lessons learned that are applicable for other corporations to improve their overall performance through improving employee performance. Due to the differences in culture, industry and nature of the work at different companies, there is no one-size-fits-all answer to the complicated question of workforce management for better corporate performance. However, the research could serve as a guideline for management or leaders to identify problems in employee performance management and determine parameters to set up an assessment system that accounts for factors that exert strong influences on performance. Overall, it is important to ensure strict yet practically flexible compliance, create a cooperative working environment, and apply discipline with regards to the background and interests of different groups of employees in mind.

Objective 1: To enhance employee compliance

As analyzed in Chapter 4, while managers thought that company regulations were easy to understand and follow, and they were the ones who always complied with those regulations, most manufacturing workers, although they agreed that all their

company's regulations were reasonable, could not always follow them due to their job characteristics and other objective reasons that were out of their control. In

general, despite the managerial acknowledgement of the importance of compliance, the level of compliance among manufacturing workers in Prime Group is not very high. However, it is too early to assume that obedience will guarantee productivity. In many cases, flexible workers can adjust quickly to changes in the working environment or solve problems instantaneously.

Indeed, with the global economic instability and the emergence of a decentralized organizational structure where employees can take an active part in the decision-making processes at the company level, there is a growing trend in modern organizations to favor quick problem solving and adaptability over obedience among employees. However, in order to sustain an organization that follows the aforementioned structure, it is important to set up a very clear and strong set of regulations that also allow a room for freedom to take action when needed. In other words, management at Prime Group should find an approach to improve compliance not by imposing stricter policies but rather by examining and improving the current regulations. A good practice could be conducting a company-wide survey to

collect thoughts and opinions about how to make the regulations “better” for each individual and group. Based on the results of this survey, management can rebuild a set of regulations that can both serve as the backbone of the company structure and reflect the voice of employees.

Objective 2: To improve employee work attitude

The results of the analysis indicate that the work attitude in Prime Group is not the factor that influences employees’ performance – or at least in the perception of their employees. A very high percentage of surveyed employees thought that once working for the company, they would always be loyal and work as hard as possible. They also believed that they were working efficiently, effectively and responsibly. Such a positive and dedicated mentality shared by the majority of the employees is an ideal starting point to improve employee performance.

However, two potential shortcomings of this conclusion are 1) possibility of response bias and 2) the mismatch between positive attitude and good performance. Due to the data collection method that relies mainly on self-reflection, the responses on which the research based its conclusions are prone to personal bias. Future research should look into ways to crosscheck the assessments given by employees for a more accurate picture of the situation. The research also reveals that while work attitude is very favorable among employees, it does not translate well into performance. In the long term, Prime Group management should maintain and reinforce this spirit while figuring out a way to convert positive working spirit to positive performance.

Objective 3: To increase employee work outcomes

The results derived from Prime Group’s manufacturing workers contradicted the general belief that on-the-job opportunities, recognition and praise, and talent promotion will help increase employee performance. The hypothesis that work outcomes correlate with performance is not supported by the data collected, which

means this relationship is weak at the point of the research. According to Prime Group manufacturing workers, they did not have many opportunities to develop in their jobs and the recognition and praise systems in the corporation were not satisfactory. Surprisingly, this factor did not seem to have altered their productivity, at least in the timeframe the study was conducted. Yet it is irrefutable that rewards and recognition can serve as an important source of motivation for desired behavior among employees. Thus, in the long run, it is strongly advised that Prime Group continues examining this relationship in the future and increases employee performance through simple solutions such as promoting a better recognition system or creating more job opportunities for their staff or making use of the talent being wasted among their staff.

Objective 4: To stimulate the employees’ self-improvement

Self-improvement is one of the two factors whose influence on employee performance in Prime Group is supported by the data analysis results. Overall, employees of Prime Group demonstrated a strong willingness to improve, yet many of them struggle to find a proper strategy to achieve this goal, especially among low-level workers. This is where the organization should step in and help their staff build an effective action plan. Indeed, self-learning and self-improvement are important qualities that a lot of modern organizations look for in their employees, as these qualities add values to the human resources and help the entire company become a better workplace in the long term.

Objective 5: To encourage employees to contribute more to the company

When being asked to assess their own willingness to contribute, most employees of Prime Group thought that they have contributed enough for the company, with a disparity between the responses of managers and manufacturing workers. The results from questionnaires and interviews showed that while managers were willing to devote extra time and efforts to the job, many employees at a lower ranking level thought that it was no use for them to

devote more than what they were compensated for. This is understandable from the point of view of this group of employees, especially when the recognition and praise system is still not sufficient. Even if managers deem the current productivity and commitment level among employees satisfactory, their reluctance to put in extra effort when needed is not very favorable. This raises an issue for the management of Prime Group; that they have to make their staff see the value of devoting to the company through reasonable encouragement and mindset changing strategies.

The case of office staff is also worth the attention of management. With 20-30% of the staff expressed unwillingness to contribute extra time and efforts in any forms due to reasons of rewards and recognitions, salary, and career advancement, it is important that the management at Prime pays more attention to the office segment inside the company. The rewards and recognition system needs to have a better way to measure improvements made by office workers. Compensation is also an important motivational factor. However, due to the scope of this study, the author cannot examine in further details the amount of salary that would be optimum for the office staff at Prime. The management at Prime should conduct an internal examination of their current compensation level, with comparison among individuals within the company as well as between the Prime and other companies in the same segment, and the expectations of their staff. A structural review is also recommended so that more career advancement opportunities for office staffs become available and transparent. Only when the staff knows that their extra contribution goes towards the overall advancement of the company and of their own career path in particular, does the management expect a motivated contribution from this group of employees.

Implications for Policy Makers

Even though increasing employee performance seems to be the internal concern of individual corporations, if the government plays an active role in supporting enterprises to improve their

performance through reasonable and immediate policies, it might help improve the performance of the whole economy and even the whole society. The Government can support enterprises from a macro perspective such as implementing policies and strategies related to labor training and labor management. Besides, from a labor perspective, the Government can help organizations to improve their capacities by setting standards in the fields of working environment, payment and recognition policies for laborers or loyalty requirements.

Limitations of Study

A number of limitations were identified in the course of the research process. They are listed below for improvements in future studies.

Prime Group Member Limitations

Whilst the sample group of participants was randomly selected from three groups, including managers, office staff and manufacturing workers, only some factories and branches of Prime Group were selected for the survey due to location and time limitations. Although some representatives of participating factories or branches were prepared to point out the faults of branches and factories, on the whole, participants

were reluctant to offer hard criticism. However, when it came to personal assessment, participants appeared to be open and honest regarding the factors that might have had an impact on their performance.

Participant Number Limitations

The size of sample group could be a limitation for the research. For this study, the number of managers selected was 100, office staff was 100 and manufacturing workers were 300. These numbers were quite small compared with the size of the labor force of Prime Group. This relatively small number may restrict to some extent the ability to generalize results based on statistical convention.

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