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# Factors Associated with Middle Managers' Work Motivation: Evidence from SMEs in Vietnam

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### **Abstract**

This study presents an exploratory investigation of SMEs in Vietnam to understand the impact of personal-level factors on middle managers' work motivation and the moderating role of work environment. A survey of 450 middle managers (MMs) in 150 Hanoi's SMEs was conducted. The findings of this research showed a significant positive impact of Achievement (ACHV), Recognition (RECOG), and Responsibility (RESP) on work motivation of MMs under the investigation. Furthermore, the result indicated that the work environment affects the relationship between personal-level factors and work motivation of participants. Consequently, both work environment improvement and strategies related to personal-level factors need to be taken into consideration. Especially, Recognition and transparency in Responsibility are appreciated in organizations with a low level of work environment satisfaction. However, there were no indications that Participation (PAR) and Communication (CMM) have a considerable impact on work motivation of respondents, being neither low level nor high level of work environment satisfaction. Based on the findings, recommendations are suggested for Vietnam's SMEs to improve work motivation of MMs, by (i) developing standards with emphasis on their achievement, (ii) paying attention to organizational culture focusing on the responsibility of this managerial level, and (iii) building an adequate incentive system, especially non-financial incentives.

Keywords: Motivation, Work Environment, Individual Factors, Middle Managers, SMEs

JEL Classification Code: J24, J28, M12, M54

#### 1. Introduction

It is widely known that factors influencing work motivation involve both contextual-level and individuallevel factors. Many studies that have dealt with the "why" question of motivation have typically emphasized the effect

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of individual-level factors (Kanfer & Chen, 2016). There are different ways to motivate people since individuals are different from each other on what is of greater importance to them (Madura, 2007). Numerous observed investigations have revealed that perception of achievement, recognition, responsibility, communication, and participation leading individual-level factors affecting work motivation (Georgellis et al., 2012; Herzberg, 1965; Jansen & Samuel, 2014; Lewis, 1972; Shaaban, 2018). Especially, Kominis and Emmanuel (2007) find considerable support that the feeling of accomplishment and recognition are highly desirable rewards all middle managers (MMs) perceive. In relation to MMs, formal and planned communication with senior managers is found to gain perspective about their role and responsibility (Balogun, 2003). Furthermore, in the view of MMs, they attach much significance to participation and involvement. Many scholars criticized the hierarchical and argued for greater autonomy and increased participation in decision-making (Deci & Vansteenkiste, 2004).

A wide range of incentivizing economic measures are taken into consideration to boost their competition capability and efficiency (Keskgn et al., 2010). Motivation is one of the main concerns and an important driver for work success. Motivating employee will help the organization make the best possible use of capital (Ali et al., 2016) since motivated employees with high levels of job involvement will work with more commitment, and eventually increase efficiency (Azar & Shafighi, 2013). Such results are in line with previous publications which confirmed the positive relationship between factors of motivation and job performance (Aarabi et al., 2013; Pancasila et al., 2020).

Small- and medium-sized enterprises (SMEs) play an important part in the modern economy. In all countries, SMEs have an active role, representing over 90% of the business population, 60-70% of employment, and over 55% of GDP in developed countries (WTO, 2019). In Vietnam, SMEs have been the backbone of the growing economy, accounting for 98% of all enterprises with approximately, 47% of the country's GDP (GSO of Vietnam, 2020).

The research conducted by Trinh and Thanh (2017) showed that Vietnam's SMEs have encountered various constraints to their development, including labor utilization. The results also indicated that motivating employees was one of the effective ways to increase labor utilization indicators and business performance. Despite the significance of work motivation, research on the issue is limited in Vietnam. Many studies have sought to uncover the motivation of direct labor (Cuong et al., 2007; Khang, 2014; Larsen et al., 2011), meanwhile, others pay attention to office staff (Khuong & Hoang, 2015; Swierczek & Thai, 2003; Thuy & Nhung, 2018). However, to the date, there is still very little research on work motivation of MMs.

As mentioned above, the study aims (1) to determine factors influencing MMs' work motivation, and (2) to investigate the moderating role of work environment on the relationship between individual needs and motivation of MMs.

# 2. Literature Review and Hypothesis

### 2.1. Work Motivation

There is increasing proof that motivation has played a vital role in human resource management in recent decades. It is generally believed that an organization would rather have motivated and energetic employees than ones with high education, but lacking energy (Kovach, 1987). The large proportion of motivation theories, according to Petri (1996), was focused on diverse approaches to the nature or roots of motivation.

The conventional thinking on motivation dominated over the course of 30 years from 1900 to 1930. This method of conceptualizing motivation is mostly related to Taylor's (1911) philosophy and the scientific school of management.

The fairly mechanistic starting point was that employees usually do not want to work, and are attracted by financial incentives. Consistent with the previous view, Beach (1980) saw motivation as an emotional desire to accomplish a goal or reward. The traditional model made way for the human relations paradigm that prevailed during the period from 1930 to 1960. Mayo (1932) referred to the concept of "social man" who was motivated by social needs, job relationships, and more responsive to working group pressure than to management control (Bruce & Nyland, 2011). It became popular around the 1960s to understand motivation in terms of human ability (human resource). The viewpoint maintained that an individual is inspired by something more than just income or fulfilling social interaction, and that especially a sense of accomplishment arising from a productive and demanding job is a powerful desire for workers (Likert, 1967; McGregor, 1960).

In the study, we use the definition of work motivation based on self-determination theory (SDT), which advocates the human resource approach. In SDT, they distinguished between various types of motivation on the basis of particular motives or purposes that lead to action (Deci & Ryan, 1985). Intrinsic motivation is described, according to Ryan and Deci, as "the doing of an activity for its inherent satisfaction rather than for some separable consequence. When intrinsically motivated, a person is moved to act for the fun or challenge entailed rather than because of external products, pressures or reward". Meanwhile, extrinsic motivation is "a construct that pertains whenever an activity is done in order to attain some separable outcome. Extrinsic motivation thus contrasts with intrinsic motivation, which refers to doing an activity simply for the enjoyment of the activity itself, rather than its instrumental value" (Ryan & Deci, 2000).

# 2.2. Hypothesis Development

There is rising evidence that work motivation plays a significant role in loyalty (Omar et al., 2010; Spakovska & Vanek, 2016), organizational productivity (Bawa, 2017; Swart, 2010), interpersonal relationship (Wahyuni et al., 2016), and organizational culture (Yusof et al., 2017). As a result, plenty of studies relating to motivational factors, especially MMs, have been conducted.

Most extensively referred to contemporary theories of motivation related to personal-level factors is SDT, developed by Deci and Ryan(1985). The central postulation of SDT is that people have a psychological need to feel competent, self-determined, and connected (Deci & Vansteenkiste, 2004). Studies based on SDT indicated that essential factors at the personal level influencing work motivation include a sense of Achievement, Responsibility, Recognition, Communication, and Participation. As a result, the study identified the five main factors including sense of

Achievement, Responsibility, Recognition, Communication, and Participation, which have considerable influence on middle managers' work motivation by synthesizing previous research and theoretical perspectives.

#### Achievement

Achievement is what individuals are inspired to accomplish when they are challenged and conscious that the achievement will be mirrored in their performance. Deci and Ryan's (1985) SDT contributed a solid framework for understanding the construct of individual perceived challenge. A person is challenged when he or she considers the challenges of the activity to be balanced with his or her task performance abilities (Reeve & Deci, 1996). According to SDT, challenges are essential to facilitate intrinsic motivation (Deci & Ryan, 1985). Conversely, events that result in feelings of incompetence may undermine intrinsic motivation (Li & Pan, 2009). More specifically, in dealing with MMs, Samuel (2014) stated that they perceived feeling of accomplishment appeared to be highly desirable rewards. Consequently, it is found that challenging tasks, the attainability of targets, and the accuracy of performance indicators should be taken into account by reward-system designers. The result finds considerable support with the findings of a study published by Kominis and Emmanuel (2007). Thus, we predict that a sense of achievement will have a positive impact on MMs' motivation.

**H1:** A sense of achievement has a positive impact on MMs' motivation.

# Responsibility

Dose and Klimoski (1995) defined responsibility as a situation in which a person feels obliged to circumstances or events. Responsibility can be considered an obligation and inner commitment from an individual for the desired fulfillment of all delegated tasks (Bing et al., 2011). A person who is demonstrating personal responsibility is likely to consider how his choices and behavior will impact on others. In other words, he owns the willingness to hold himself accountable for the behavior enacted and the resulting outcomes (Mergler et al., 2007). Adding responsibility for the workers with their regular worker is one of the important features to make workers satisfy to work in the organization, thus enhance the motivational level. Therefore, we predict that a sense of responsibility will have a positive impact on MMs' motivation.

**H2:** A sense of responsibility has a positive impact on MMs' motivation.

### Recognition

This can be referred to an intrinsic way of getting employee motivation has become an essential phenomenon (Al Harbi et al., 2019). Grawitch and Baber (2010) stated that recognition is not only about the accomplishment of a person's performance, but is more concentrated on contributions and efforts made by employees. In addition, they not only want to feel they are an essential part of the organization's success, but also desire the notice and acknowledgment of their senior and co-workers (Larson & Hewitt, 2005). Recognition as an intrinsic incentive is recognized because of its values that go hand in hand with the core human values. Regarding MMs, there was a positive correlation between work motivation and recognition (Kumarasinghe & Hoshino, 2010). The result is consistent with the previous studies (Jansen & Samuel, 2014; Kominis & Emmanuel, 2007). Hence, we predict that a sense of recognition will have a positive impact on MMs' motivation.

**H3:** A sense of recognition has a positive impact on MMs' motivation.

#### **Communication**

Interpersonal communication is the information exchange between individuals who, in personal or nonpersonal contexts, are typically performed face to face (Singh, 2014). In organizations, employees have experience of communication in a wide range of ways. Jo and Shim (2005) indicated that encouraging contact was positively connected to people's views of management's support and friendliness. Addressing the issue of MMs, Westley (1990) pointed out that MMs feel isolated when there is resisted conversation, lack of formal or informal channels for MMs to interfunctionally interact, or where general strategic dialogues are confined to the high ranking group. As a result, effective two-way communication is supposed to be formed to increase the motivational level. In the study, we predict that a sense of communication will have a positive impact on MMs' motivation.

**H4:** A sense of communication has a positive impact on MMs' motivation.

### **Participation**

In organizations, employees especially middle management have a desire of being actively involved in goal setting, policy formation, and top decision making. Besides, employees' need for participation also manifests itself in being allowed a certain amount of discretion and freedom of choice in decisions concerning their work.

When individuals are involved in a mission, they see more commitment as leading to greater mastery and competence (Deci & Ryan, 1985). With respect to MMs, Nilakant and Ramnarayan (1990) indicated that they expected to deal with top decisions. According to this view, lack of control and autonomy over work execution and decision-making process are the main demotivational factors. Thus, we predict that a sense of participation will have a positive impact on MMs' motivation.

**H5:** A sense of participation has a positive impact on MMs' motivation.

#### Moderator and control variable

Work environment has an effect on employees' perception of an organization (Nguyen et al., 2019). As a result, a work environment with a high level of satisfaction is likely to motivate employees in general and middle managers in particular. Furthermore, work environment also affects the relationship between personal-level factors and work motivation (De Hoogh et al., 2005). Noticeably, different types of companies and experience also have a considerable impact on the work motivation of employees. Consequently, the current study examines the moderating role of work environment variables as well as several control variables including gender, experience. Thus, the authors propose the following hypotheses:

**H6:** Work environment has a moderating effect on the relationship between personal-level factors and MMs' motivation.

*H7:* Experience, industry, and gender have an impact on MMs' motivation.

#### 3. Research Methods and Materials

# 3.1. Development of Survey Instrument

We used a structured questionnaire to collect and analyze the data by survey method. The constructs used in the research model were adapted from the literature and previous studies (Deci & Ryan, 1985; Jansen & Samuel, 2014; Kominis & Emmanuel, 2007). The items that evaluate each construct used in the model were referenced from other studies. Specifically, work motivation (MOV) construct was measured by six items based upon from Broek et al. (2010). ACHV construct was evaluated by five items and adapted from Lang and Fries (2006). RESP construct was measured by two items that developed from Kumarasinghe and Yasuo (2010). RECOG construct was assessed by six items adapted from Sonawane (2008). CMM construct was measured by five items based upon Ramirez (2010) and the PAR construct was evaluated by three items adapted

from Kumarasinghe and Yasuo (2010) (Kumarasinghe & Hoshino, 2010; Lang & Fries, 2006; Ramirez, 2012; Sonawane, 2008; Van den Broeck et al., 2010). The items used for evaluating the constructs in the model were translated from English to Vietnamese, and using the backtranslation method to ensure the reliability and concordance of the translation process. The questionnaire was adjusted through discussing with five experts in human resource management from the companies and universities in Hanoi (Hanoi University of Science and Technology and National Economics University). All items were measured by a five-point Likert scale (1: strongly disagree and 5: strongly agree). The items of each construct in the model are described in Table 1.

# 3.2. Sample and Data Collection

The survey subjects were the middle managers of SMEs in Hanoi, the largest economic area in the North of Vietnam. The sample size was determined to be 400 respondents, which is very good for quantitative research (Comrey & Lee, 1992). Survey data was collected in 2018 and 2019 with the support of the Department of Industry and Trade, and the Department of Planning and Investment in Hanoi through business conferences for SMEs. We distributed 500 questionnaires and collected 425 valid questionnaires – a response rate of 85%. The characteristics of companies are described in Table 2.

# 3.3. Data Analysis Method

We used the multivariate data analysis method to analyze survey data and test the proposed hypotheses. Specifically, we test the reliability of items in the constructs by Cronbach's Alpha coefficient and exploratory factor analysis (EFA). The criteria were chosen including the Cronbach's Alpha coefficients were larger than 0.7 and corrected item-total correlations of each construct were larger than 0.3 (Nunnally, 1994). In EFA analysis, the criteria were KMO coefficient is larger than 0.5, the p-value of Bartlett's test is less than 0.05, the factor loadings of the items in each construct are 0.5, and total variance explained (TVE) is larger than 50% (Hair et al., 2010). Next, the confirmatory factor analysis (CFA) is used to evaluate the model fit with the actual data and tests the validity of each construct in the model. The criteria of CFA include CFI, TLI, and IFI coefficients are larger than 0.9, RMSEA is less than 0.08 (Kline, 2011) showing that the research model reaches the overall fit index. The factor loading of items in CFA analysis is larger than 0.6 present that the constructs achieved the convergent validity (Hair et al., 2010). In order to assess the discriminant validity of each construct, we used the square root of average variance extracted (AVE) comparing with the correlations among the constructs in the model.

**Table 1:** The items of each construct in the research model

Constructs/Items	Statement	References					
Work motivation							
MOV1	Because I have fun doing my job.	Broeck et al.					
MOV2	Because I personally consider it important to put efforts in this job.	(2010)					
MOV3	Because putting efforts in this job aligns with my personal values.						
MOV4	Because I have to prove to myself that I can.						
MOV5	Because otherwise I will feel bad about myself.						
MOV6	Because I risk losing my job if I don't put enough effort in it.						
Achievement	·						
ACHV1	I enjoy situations, in which I can make use of my abilities.	Lang & Fries					
ACHV2	I prefer to know how I am progressing and to obtain concrete feedback when working at a task.	(2006)					
ACHV3	I prefer to know how I am progressing and to obtain concrete feedback who working at a task.						
ACHV4	While working on a task, I think of how it will feel when and if the task is successfully completed.						
ACHV5	I feel uneasy to do something if I am not sure of succeeding.						
Responsibility							
RESP1	I am willing to take responsibility for my own work assignment.						
RESP2	I expect to be given special assignments for more difficult tasks.	& Yasuo (2010)					
Recognition							
RECOG1	I deeply cherish all the recognition received in organization.	Sonawane					
RECOG2	Recognition provided by my organization is adequate to my efforts.	(2008)					
RECOG3	Recognition provided by my organization is timely.						
RECOG4	Formal recognition provided by my organization is important to me.						
RECOG5	Informal recognition (personal praise, special mention in a meeting, etc.) provided by my organization is important to me.						
RECOG6	Recognition is important as long as it is monetary in nature.						
Communication							
CMM1	I am willing to listen and pay attention to my subordinates	Ramirez					
CMM2	I clear up queries of my subordinates in a timely manner	(2010)					
CMM3	I put more effort if I have an opportunity to share my ideas and experience with the superior						
CMM4	I put more effort if I receive timely feedback from the superior						
CMM5	I put more effort if I receive transparent feedback from the superior						
Participation		•					
PAR1	I put more effort if I am a part of strategic planning process	Kumarasinghe & Yasuo (2010)					
PAR2	I put more effort if I am involved in policy formation and decision making						
PAR3	I put more effort if I am allowed a certain amount of discretion and freedom of choice in decision concerning my work.						

Table 2: Profile of companies

Categorical	Frequency (%)	
Gender	Males	213 (50.1%)
Geridei	Females	212 (49.9%)
	18 – 22 years	29 (6,8%)
	23 – 30 years	89 (20,9%)
Age	31 – 40 years	227 (53,4%)
	41 – 50 years	73 (17,2%)
	50 or more years	7 (1,6%)
	Bachelor	290 (68,2%)
Education	Master	118 (27,8%)
Education	Doctoral	5 (1,2%)
	Others	12 (2,8%)
	< 3 years	82 (19,3%)
Seniority	3 – 5 years	100 (23,5%)
Serilority	5 – 10 years	143 (33,6%)
	>10 years	100 (23,5%)
	Head of department	234 (55,1%)
Managerial	Deputy of department	94 (22,1%)
position	Team leader	47 (11,1%)
	Others	50 (11,8%)
Types of	100% State Owned- enterprises	18 (4,2%)
ownership	State Owned- enterprises	8 (1,9%)
structures	Private	393 (92,5%)
	Others	6 (1,4%)
	Agriculture, Forestry, Fishing	2 (0,5%)
Industry	Industry and Construction	140 (32,9%)
-	Trade and Service	230 (54,1%)
	Others	53 (12,5%)

If, the square root of AVEs is larger than the correlations between the construct indicating the constructs reach the discriminant validity. To evaluate the reliability of constructs we use the composite coefficients and AVE. If the composite coefficients are larger than 0.6 and AVEs larger than 0.5 showing the constructs are reliable (Hair et al., 2010). To test the proposed hypotheses, we use a structural equation model. We conduct three models (full sample, low score environment, and high score environment). The value is used to divide data into two groups (high–low) being the value median of environment construct. In order to consider the moderator role of the environment construct on the relationship between individual factors and work motivation, we used the Chisquare test at statistically significant at 5%.

# 4. Results and Discussion

# 4.1. Reliability and Validity

The analysis results indicated that the constructs in the model achieved the reliability of scales. The Cronbach's Alpha coefficients of each construct were lager than 0.7, which showed the items measured the constructs reaching internal consistency within each construct. EFA analysis result showed that the KMOs were larger than 0.5, Bartlett's test had a p-value of less than 0.05, the factor loadings of items in each construct were larger than 0.5, and the variance explained was larger than 50% (Table 3).

# Confirmatory factor analysis

CFA analysis result presented that the model achieved the overall fit with the actual data: CFI = 0.914, GFI = 0.879, TLI = 0.889, IFI = 0.945. The factor loadings of items in each construct were larger than 0.6 showing that the items used in the constructs reached convergent validity. The composite reliability coefficients were larger than 0.7, and average variance was larger than 50% showing that the constructs in the model were reliable with official data (Table 4).

Table 3: The test of reliability

Constructs	KMO	p-value	Factor loadings range	Variance explained (%)	Cronbach's Alpha
Motivation	0.780	0.000	0.778-0.808	63.571	0.808
Achievement	0.707	0.000	0.842-0.908	60.616	0.749
Recognition	0.711	0.000	0.648-0.818	56.587	0.797
Communication	0.763	0.000	0.763-0.902	67.248	0.877
Responsibility	0.500	0.000	0.902-0.902	81.311	0.762
Participation	0.639	0.000	0.763-0.942	77.601	0.851
Environment	0.738	0.000	0.762-0.862	64.414	0.836

 Table 4: The CFA analysis result, composite reliability and average variance extracted

Construct	Factor loadings range (CFA)	Composite reliability	Average variance extracted		
Motivation	0.650-0.750	0.807	0.513		
Achievement	0.735-0.855	0.861	0.676		
Recognition	0.703-0.879	0.806	0.677		
Communication	0.601-0.950	0.895	0.687		
Participation	0.892-0.953	0.942	0.890		
Responsibility	0.708-0.884	0.779	0.641		
Model fit index	CFI = 0.914, GFI = 0.879, TLI=0.889, IFI = 0.945 RMSEA = 0.071.				

Table 5: Result of discriminant validity test

Construct	Mean (SD)	Mov	Achv	Recog	Comm	Par	Resp
Motivation	3.920(0.532)	0.716					
Achievement	3.514(0.733)	0.678	0.822				
Recognition	3.898(0.532)	0.619	0.684	0.823			
Communication	3.804(0.656)	0.603	0.676	0.726	0.829		
Participation	3.931(0.637)	0.343	0.457	0.376	0.394	0.943	
Responsibility	3.823(0.618)	0.644	0.621	0.610	0.736	0.661	0.800

Table 6: The SEM analysis result

Relationships		Std. Beta (critical ratio)			
Relationalipa			Full Sample (n = 425)	Low (n=185)	High (n= 240)
Achievement	$\rightarrow$	MOV	0.413(5.345)**	0.253(2.627)*	0.523(3.907)**
Recognition	$\rightarrow$	MOV	0.204(3.054)*	0.287(2.384)*	0.073(0.688)
Communication	$\rightarrow$	MOV	-0.010(-0.122)	0.001(0.010)	0.052(0.508)
Responsibility	$\rightarrow$	MOV	0.241(3.904)**	0.559(2.366)*	0.225(2.372)*
Participation	$\rightarrow$	MOV	-0.092(-1.745)	-0.205(-1.465)	-0.136(-1.944)
Industry	$\rightarrow$	MOV	-0.141(3.373)**	-0.065(-1.009)	-0.164(-2.996)*
Gender	$\rightarrow$	MOV	0.057(1.402)	0.159(2.445)*	0.013(0.256)
Experience	$\rightarrow$	MOV	-0.027(-0.665)	-0.030 (-0.462)	0.013(0.247)
Model fit index			CFI = 0.928, GFI = 0.919, IFI = 0.929, RMSEA = 0.087	CFI = 0.853, GFI = 0.862, IFI = 0.856, RMSEA = 0.121	CFI = 0.929; GFI = 0.909, IFI = 0.930, RMSEA = 0.089

Notes: \* p< 0.05; \*\* p < 0.01.

# Discriminant validity

To test the discriminant validity among the construct, we compared the square root of AVEs and the correlation coefficients of the paired constructs in the model. The findings showed that the value of the square root of AVEs were the correlation coefficients of constructs in the model. This indicated that the constructs reached discriminant validity (Table 5).

#### 4.2. Structural Model

The structural equation modeling (SEM) was utilized to test the proposed hypotheses with three models. The estimation result from the data surveyed was described in Table 6.

The estimation result indicated that TT, GN, and TN have a positive impact on the work motivation of middle

manager of SMEs ( $\beta$  > 0, p-value < 0.05), meanwhile, GT and TN were insignificant at 0.05 (p-value > 0.05). Thus, the hypotheses H1, H2, H3 were accepted, and H4 and H5 were rejected.

The findings also showed that only the industry variable had an impact on work motivation. Using Chi-square test to choose the invariant model and variant model showed that:  $\Delta$ Chi-square = 15 and  $\Delta$ df = 7 and p-value = 0.033 < 0.05). This indicated that using the variant model is better than the invariant model. In other words, work environment is a moderator variable in the relationships between other work factors and work motivation of MMs in SMEs. Therefore, hypothesis H6 was accepted, H7 was partially accepted.

# 4.3. Discussion

The key objective of this study is to discover the influence of personal-level factors on work motivation and the moderator role of work environment. Based on the results of the research, the impact of different factors, characteristics of individuals, and enterprises on work motivation were examined. In addition, the study illustrates how work environment plays the moderator role in the relationship between personal-level factors and work motivation.

The most significant finding is the positive impact of Achievement (ACHV), Recognition (RECOG), and Responsibility (RESP) on work motivation. Our results point out that formal and informal recognition, challenges and difficulties in achievement, and a sense of responsibility are significant to MMs' motivation. MMs are accountable to top management for their department's function since they are communicators between the top-level managers and the lowest level of operational staff. Besides, achievement and recognition are generally believed to be the most convincing evidence of one's ability in his organization. Noticeably, these two factors are considered a signal about one's ability, which serves as the indirect transmission sent to the job market when considering an opportunity in another organization (Tran & Do, 2020). This finding is in line with previous studies in various markets and fields, such as educational psychology (Hiebert, 2010), human migration (Mulder & Van Ham, 2005).

According to collected data concerning work environment, the study also indicated that Achievement, Recognition, and a sense of Responsibility influence MMs' work motivation at different levels. To be more precise, Achievement has a greater influence on the work motivation of MMs with a higher level of work environment satisfaction ( $\beta$  =0,523) than peers with a lower level of work environment satisfaction ( $\beta$  =0,253). Meanwhile, Recognition and a sense of Responsibility show a stronger effect on work motivation of MMs with a lower level of work environment satisfaction. This finding implies that MMs pay little attention to the

Achievement aspect, whereas Recognition and transparency in Responsibility are appreciated in organizations with a low level of work environment satisfaction.

In the current study, personal-level factors show a diverse impact on work motivation in different work environments. It implies the moderating role of work environment on the relationship between personal-level factors and work motivation. Consequently, the result matches our prediction of the hypothesis that MMs in different work environments are influenced by personal level factors at different levels.

Our observations differ most notably from previous research, which indicated a considerable effect of Participation and Communication on MMs' work motivation (O'Neil, 2017; Venkatesh & Sharma, 2015). The difference may result from the features of SMEs in which Participation and Communication play a minor part in work motivation of MMs. Due to a moderate scale, the communication process between managers and employees in SMEs is faster, easier, and more direct which makes the working relationship closer than in large businesses. MMs are involved in strategic decisions in the same manner. Not only the simple structure but also the direct communication makes the participation of top managers or business owners and MMs in the strategic planning process much easier. Another reason is that organizational culture in SMEs tends to be similar to family culture. It results in a lower power distance relationship between managers and employees.

The analysis reveals the difference in the impact of demographic variables and business characteristics on MMs' work motivation. Specifically, group of business and service industry has a lower motivational level ( $\beta$  = -0.141, p-value < 0.05), especially in enterprises with a high level of work environment satisfaction ( $\beta$  = -0.164, p-value < 0.05). It is noticeable that male managers reveal a higher motivational level in enterprises with a low level of work environment satisfaction. It implies that females tend to be more susceptible than males to the impact of their surroundings. Furthermore, there is a difference in work motivation in different industries. However, the current study provides no evidence for the influence of experience on MMs' work motivation.

#### 4.4. Recommendations

From the findings, the authors propose the following suggestions for SMEs' top managers to improve work motivation of MMs: first, it is proposed to develop standards for MMs focusing on their achievement. Also, in order to motive MMs, a KPI system relating to performance in a direct way needs to be taken into account. Besides, another effective way is utilizing financial rewards to encourage, not only MMs, but also their team/group's members. Second, business owners should attach much

importance to organizational culture placing an emphasis on the responsibility of employees in general and MMs in particular. Consequently, it is necessary to develop programs of training, recruiting, and building organizational culture. Third, the authors suggest an adequate incentive system, especially non-financial incentives, such as honors recognition ceremony, traditional days celebrating for the excellent contribution, etc.

However, the findings of this study have to be seen in light of some limitations. First, convenience sampling is likely to be vulnerable to selection bias and influence beyond the control of researchers, which may not produce representative results. Second, the study carried out inside Hanoi can pose potential problems due to the distinction of the political, economic, and cultural center of the country. Consequently, future research could examine a larger sample size and area of investigation.

# 5. Conclusions

In summary, through a set of data collected from 450 middle managers in 150 SMEs, the authors analyzed the impact of personal-level factors on MMs' work motivation and the moderating role of work environment. Empirical results from SEM analysis show the positive impact of Achievement, Recognition, and Responsibility on work motivation of middle managers. In addition, these factors affect MMs' work motivation at different levels in different work environments. The research result of this article can facilitate the understanding of how to enhance work motivation of MMs in Vietnam's SMEs.

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