
Analysis of Factors Affecting Job Motivation: Case Study of AIO Express & Logistics

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Abstract

When it comes to Organization Performance, motivation is crucial. Having a professional workforce is just as important for an organization to attain sustainable development, efficiency, and exceptional achievement as having ample cash or facilities. It is not certain that great outcomes at this point will hold true on a bigger scale, and as firms expand, they would inevitably need to build a system for performance appraisal. But, in addition to the workflow's continued growth, greater labor management and human resource management are also required. The current state of employee motivation research is still basic and devoid of formal procedures. As a result, this study looked at the variables influencing workers' motivation for their jobs. The results of this study demonstrate that relationships, possibilities for growth and recognition of accomplishments, and the nature of the work all affect employees' motivation. The study significantly improves the working motivation of employees by providing valuable insights for firm management.

Keywords: Rewards, Compensation; Workplace Relationships; Acknowledgement & Advancement Opportunities; Characteristics of Job Duties; Nature of Work; Organization Performance.

1. Introduction

Motivation plays a pivotal role in organizational performance, especially in fostering a professional workforce that drives sustainable development, efficiency, and exceptional achievement. For AIO Express & Logistics, the development of a robust performance appraisal system is imperative as the company scales. Although current outcomes are impressive, maintaining such performance on a larger scale necessitates systematic employee evaluations. AIO's strategic shift from "sustainable and effective development" to "innovative and professional development" underscores this need, particularly with its ambitious goals of hiring thousands and reaching a \$300 billion valuation within five years. Presently, AIO is undergoing a significant transformation from a conventional, small-scale third-party logistics provider to a modern enterprise characterized by innovative and efficient management practices. This evolution includes major projects such as the implementation of the "Transportation Management System" and the "Order Management System." These initiatives have redefined AIO as a cutting-edge logistics company capable of managing thousands of orders daily while mitigating operational risks.

The complexity of new technologies has outpaced AIO's training processes, which remain vague and insufficient. Employees must be highly adaptable to navigate these AI-oriented systems effectively. Furthermore, the absence of clear reward and punishment policies fails to motivate employees to strive towards technology-related work objectives, diminishing overall performance. To address these challenges, the research focuses on analyzing the factors affecting job motivation at AIO Express & Logistics. Understanding these factors is essential for developing strategies that enhance employee motivation and, consequently, organizational performance.

In conclusion, while AIO Express & Logistics has made significant strides in operational efficiency through technological innovation, it must simultaneously advance its human resource management practices. By establishing comprehensive training programs and clear incentive structures, AIO can ensure that its workforce is not only professional and motivated but also aligned with the company's long-term goals. This balanced approach is critical for sustaining growth and achieving the exceptional achievements envisioned by AIO's leadership.

2. Literature review and proposed research model

2.1 Some Theories about Motivation

Maslow's Hierarchy of Needs

One of the most well-known theories of human needs dates back to 1943 and is Maslow's theory of needs. Maslow contends that the idea of conditioning falls short of providing a complete explanation for human behavior. Maslow's theory is depicted in the shape of a pyramid, with the most basic requirements at the base and widest layers. If the needs at the base are not addressed, it will be challenging to move the needs up to the higher tiers. According to psychologist Abraham Maslow, in order for a person to reach the next stage of psychological growth, they must be content from all angles, which are divided into five categories: physiological, safety, love, esteem, and self-actualization (Jain et al., 2019). Numerous businesses and organizations used this approach to inspire their staff members.

There are five levels in the Maslow's Hierarchy of Needs:

Physiological needs

It is the broadest tier and the most fundamental level in Maslow's Hierarchy of Needs. It has to do with the basic necessities of life, which include warmth, food, water, air to breathe, and shelter and sleep. Put another way, these are "indispensable needs," and when they are not met, we will not be happy.

Here, the criteria are arranged hierarchically, ranging from the most basic to the most complex. For example, even in situations where you lack food or shelter, it is still possible to have a sense of social belonging—it is simply much more difficult. Make sure all of your basic physiological demands are met before attempting to meet the ones higher on the list. For example, surveys show that between 50% and 90% of teenagers do not get the necessary amount of sleep, which has turned sleep deprivation into the norm rather than the exception.

Safety needs

Considering its connection to our fundamental health and wellbeing, safety needs rank second only to physiological requirements. "Maslow (1987) addressed the requirements for a stable life and financial security, as well as the need for a safe and secure place to live and protection from environmental hazards" (Taormina, & Gao., 2013). This covers not just bodily safety—such as defense against violence—but also financial security, preventing accidents, and having access to reasonably priced healthcare. Satisfied safety demands indicate that you are not scared of anything frequently: you are not worried of getting into financial difficulties, being physically assaulted, or suffering a fatal illness or accident. To fulfill this need, living in a secure nation with strong social standards is insufficient. Bullying, for instance, might be a sign that your needs for safety are not being met whether it occurs at work or in the school.

Social belonging

The term "belongingness and affection" has been used to better describe this urge and may better capture its essence. Emotional connection with others, familial relationships, and friendships are all essential. In various societies, people satisfy this need in different ways. For example, some people only find fulfillment in their extended family; others find it in organized groups like their church; still others find it in a network of romantic relationships and friendships.

It's also important to remember that meeting this need can assist us in overcoming a lack of fundamental necessities. People who are suffering from famines (lack of food) or war zones (loss of protection) regularly manage to survive because of the strength of their interpersonal connections.

Esteem

According to Maslow, there are two kinds of esteem. The 'lower' variety is the need to be liked by other people. We want the people who work with us, our students, and our friends to value our contributions to society and to think well of the job that we do. It should come as no surprise that the desire for people to respect us is often discussed in the workplace, especially considering how prominent Maslow's Hierarchy is among management trainers. However, earning the respect of our friends is just as important.

One 'higher' kind of esteem is self-respect or self-esteem. It's greater because individuals with strong self-esteem are able to meet their requirements for respect even in the face of criticism from others around them. If you receive neither kind of respect, you could feel worthless, defenseless, or inferior. Belonging and being respected are two examples of psychological needs.

Self-actualisation

Maslow's original hierarchy peaked at self-actualization. Because it might represent different things to different individuals, this is the level that is hardest to determine. Since self-actualization sits at the top of the theoretical hierarchy and is therefore a more abstract term, it has proven to be one of the hardest requirements to articulate. In Taormina and Gao (2013). Generally speaking, it's about reaching your full potential in every area that holds personal significance for you. Instead, then depending on other people's opinions, it's about figuring out what matters most to you, achieving it, and finding fulfillment in it. In contrast to the other requirements on the hierarchy, it requires a high degree of self-awareness and cannot be satisfied

unless the person's fundamental needs are satisfied. Maslow thought that since people's aspirations never matched their reality, self-actualization was unusual.

Discussion about Maslow's Hierarchy of Needs

By using Maslow's theory of motivation, it is possible to understand the basic requirements that employees have at work. As a result, the following conclusions on employee motivation may be made using Maslow's theory:

The first level, physiological needs, raises the issue, *"Is the employee's income sufficient to support his basic needs and enable him to make a living?"* Taormina and Gao (2013) found that four out of the eighteen categories had a relationship to physiological requirements, particularly the last one: family emotional support, marital status, employment, monthly income, and overall health.

It is commonly believed that the top three levels are more closely associated with mental and emotional wants, fulfillment, or growth, while the lower two levels are more closely associated with human needs and demands.

The third level, social belonging, also known as attachment and belonging, is concerned with interpersonal relationships. The bulk of the variation was explained by emotional support from the family, which makes sense given that families nurture and support humans both physically and emotionally. A successful family life also depends heavily on the emotional support that families provide to one another, which is important for a person's sense of belonging. In Taormina and Gao (2013). We might think about asking ourselves things like, *"Is the work environment stressful? What is the state of the rapport between the supervisor and the staff? Does the worker feel content with their working environment? thus the companies might not be able to accommodate the family situation.*

Esteem, the fourth level, is crucial, particularly for bright and aspirational workers. It may be the acceptance of labor, liberty, decency, and progress. (Jain and others, 2019). We should respond to some of the following queries: *"Is the employee's present employment a good fit for their capabilities? Is it possible for them to AIOance? Can they improve their own knowledge and skills? Do their coworkers and supervisors appreciate what they've done?"*

Since it is difficult to describe, we will not go into greater detail about the ultimate level in this thesis.

The Maslow's Hierarchy of Needs gives us a logical knowledge of the areas that businesses should focus on in order to inspire their workforce. Researchers and organizations can further explore and design aspects that impact motivation from the five fundamental levels of the hierarchy.

This hypothesis has been the subject of several debates, though. Many scholars have questioned the notion that "lower levels have to be fulfilled first" (Shikalepo, 2020). To address this shortcoming, subsequent theories expanded on the meaning of intrinsic and extrinsic drive.

According to Yusoff et al. (2013), Herzberg's Motivation Hygiene Theory divides them into two categories: extrinsic hygiene considerations for the two lowest levels of the hierarchy and intrinsic motivations for the higher levels. Based on individual characteristics, different people have different priorities for different incentive variables (Hitka et al., 2019; Ližbetinová et al., 2017; Ghodrati & Tabar, 2013; Hitka & Balážová, 2015). Consequently, compared to many other theories about motivation, Maslow's Hierarchy of Needs' applicability is not as well acknowledged.

Herzberg's Motivation Hygiene Theory

The definition of Herzberg's Motivation Hygiene Theory

Building on Maslow's research, psychologist Frederick Herzberg developed Herzberg's Motivation Hygiene (Two-Factor) explanation, a novel explanation of motivation. Herzberg's highly publicized study of 200 engineers and accountants employed by businesses in and around Western Pennsylvania involved motivational research. (2013) Yusoff et al. Motivation factors and hygiene factors are the two categories of factors mentioned in the theories. Motivation factors, also known as intrinsic factors, including promotion and recognition, are thought to raise workers' job satisfaction, whereas hygiene factors, on the other hand, are thought to keep workers from growing dissatisfied with their employment rather than having an impact on it. This perspective holds that people's lower-level desires (extrinsic or hygienic elements) would not motivate them to put forth effort; instead, they would just keep them from being miserable. To motivate staff, higher-level requirements (intrinsic or motivational components) must be satisfied. Employers that use this approach will find that solving extrinsic or sanitary problems for staff members will not motivate them to work harder for better performance—rather, it will just prevent them from being actively unhappy. In order to motivate employees, organizations should concentrate on offering intrinsic or motivational elements. (Yusoff and others, 2013)

Discussion about Herzberg's Motivation Hygiene Theory

Hygiene Factors are likely associated with the two lower levels of inadequate requirements in Maslow's Hierarchy of requirements, whereas Motivation Factors are associated with mental levels, or the three top levels of the hierarchy.

Herzberg's theory of motivation is believed to have been established with more measurement elements than Maslow's Hierarchy of Needs. Furthermore, it disagrees with Maslow's theory, which holds that satisfying lower-level needs comes before satisfying higher-level needs. This disagreement has also sparked debate among experts on this idea. According to this idea, the job of the intrinsic factors is to motivate employees; the lower-level requires just to avoid unhappiness.

On the other hand, this viewpoint is not without criticism. Numerous studies' findings demonstrated that, depending on an employee's attributes, extrinsic factors can also have a significant influence on that employee's motivation (Yusoff et al., 2013). Employees who place a high value on external elements may find that they are more motivated by them than by internal reasons. As a result, it is thought that using this theory in motivation research is less feasible than

it formerly was. Furthermore, compared to motivation, some studies believe that such characteristics are more closely related to job satisfaction.

All the same, the theory remains useful. Compared to many other theories, its collection of extrinsic and internal elements is more comprehensive. For instance, the Maslow's Hierarchy of Needs and the Alderfer's Growth need theory both have five degrees of motivation.

Many studies based on the Maslow's Hierarchy of Needs theories employed a wide range of motivation variables, which were then merged with other theories to make the research more complete. Twenty-five motivation variables were employed by Hitka (2005), who categorized them into three primary clusters: the financial-security cluster, work-related criteria, and motivators connected to self-realization and personal ambition. The study's findings showed that employees gave greater weight to the first two motivation factor clusters and also pointed to the possibility of creating a cohesive incentive program.

The motivation elements in Hitka and Balážová (2015) were reconstructed into thirty factors. According to the results, all employees preferred "basic salary, job security, good work team, further financial reward, and fair appraisal system," though there were differences in the degree

2.2. Previous Research

Developing unified motivation programs for groups of workers with similar motivation profiles" is a question that Hitka (2005) posed. The "hierarchical (tree) clustering by Ward's method with the measurement of similarity level of particular answers by the simplest method known as Euclidean Distance" was the cluster analysis method employed by the author in the study. The poll, which ranged from "5-the most important to 1-unimportant," was created to gather respondents' opinions regarding motivational elements. "Financial-security cluster, work-related criteria and self-realization and personal ambition motivators" were the three primary clusters into which the 25 motivation elements were split. The study's findings showed that employees gave greater weight to the first two motivation factor clusters and also pointed to the possibility of creating a cohesive incentive program.

The motivating variables were divided into five distinct categories by Ližbetinová et al. (2017): Career, Work, Social, Relational, and Financial. The outcome was quite similar to Hitka's (2005) finding that elements connected to financial security and work-related cluster are more prioritized when it comes to financial and relational drive. Furthermore, the hypothesis of variations in the impact of motivation factors was confirmed by the variations in the motivation factor preferences among genders and nations. This was demonstrated once more in the study conducted by Ližbetinová et al. (2018) on the "Motivational Preferences of Employees in Requirements of Czech and Russian Transport and Logistics Enterprises." K-Means Cluster Analysis was utilized to make the final decision after 30 similar characteristics were investigated for three distinct employee clusters. The preference for incentive varied significantly amongst employee groupings. The findings showed that the motivation choice varied significantly throughout the clusters.

Nevertheless, Hitka et al. (2017) and Hitka et al. (2019) came to somewhat different conclusions later on. Employers should exercise caution when employing the Basic Salary and Fair Appraisal System as motivation factors, as the results of both research indicate a significant variation in motivation preference. The Ward technique, which uses Euclidean distance, and the Cluster Analysis (CLUA) method were both used. The CLUA method was stated to be efficiently clustering the respondents into comparable motivated profiles Hitka et al. (2017). In Hitka et al. (2019), the research was carried out in Slovak firms on their white-collar employees with 195 respondents to determine which variables should be employed to encourage employees

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The motivation elements in Hitka and Balážová (2015) were reconstructed into thirty factors. According to the results, all employees preferred "basic salary, job security, good work team, further financial reward, and fair appraisal system," though there were differences in the degree of preference between groups of employees with different characteristics (age, seniority, and education).

Based on the literature review, the conceptual framework was developed as followed.

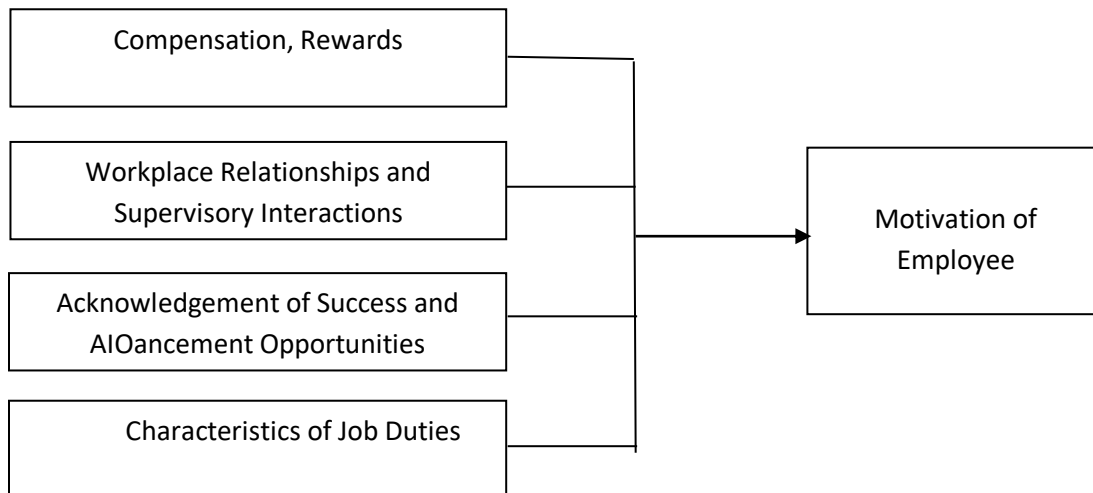


Figure 1: The research framework

H1: Compensation, Rewards has influence on driver's motivation

H2: Workplace Relationships and Supervisory has influence on driver's motivation

H3: Acknowledgement of Success and Advancement Opportunities has influence on driver's motivation

H4: Characteristics of Job Duties has influence on driver's motivation

3. Method

There are two sorts of data used in research studies: primary data and secondary data. In 2007 Saunders et al. Data that has previously been gathered for other reasons is known as secondary data, and it makes the process of gathering data for the thesis easier and takes less time. Information for this study was obtained from the 2018–2021 annual financial report of AIO Express & Logistics, AIO policies, and department reports from the Administrative Organization. The following surveys and in-depth, unstructured interviews were used to gather the primary data. Before questioning the managers, a set of unstructured, in-depth interview questions was devised. The questions include the following topics:

I. The existence of five motivational factors at AIO Express & Logistics and their scarcity. II. Suggestions for future plans and AIOancements at AIO Express & Logistics

4. Data analysis and results

4.1. Current situation of workforce in AIO Express & Logistics

According to table 2 below, employees with seniority lower than 1 year account for more than half of the workforce, and employees with seniority less than 3 years account for almost 90% of the workforce. There are two main reasons for this: The high turnover rate and the recent expansion of the company.

The young group of 18-29 years old employees has the highest proportion in the workforce, which has both AIOantages and drawbacks. The AIOantages are that they are more adaptable to new technology, they are in good physical condition and they are averagely more honest, more energetic and less sly than other groups. However, young people tend to challenge themselves in a new environment, seeking for a suitable occupation for them, or a new opportunity, and they are not afraid of changing.

On the other hand, the proportion of workers with university degrees in the company is less than 5%, most of them are in the Administrative Organization block, which also has only 20 staff at the moment, and more than half of them belong to the Finance – Accounting Department. As mentioned before, AIO is lacking innovators, especially in applying technology to the administration and human resources aspect. The number of administrative staff at the moment is sufficient for daily operation, but not for innovation.

Table 4.1: Distribution of AIO Express & Logistics workforce by age and seniority

| Demographic factors | | Year 2021 | |
|---------------------|-----------------------------|------------|----------------|
| | | Number | Proportion (%) |
| Seniority | <1 year | 201 | 56.3 |
| | 1 - <3 years | 116 | 32.49 |
| | 3 - <5 years | 22 | 6.16 |
| | >= 5 years | 18 | 5.04 |
| Age | 18-29 years old | 149 | 41.74 |
| | 30-39 years old | 108 | 30.25 |
| | >=40 years old | 100 | 28.01 |
| Qualifications | High school | 342 | 95.8 |
| | University | 15 | 4.2 |
| Block | Logistic | 239 | 66.9 |
| | Administrative Organization | 20 | 5.6 |
| | Service | 98 | 27.5 |
| Total | | 357 | 100 |

Source: Administrative Organization Department (2024)

It can be seen clearly in table 3 that the number of 18-29 years old workers that work under 1 year in the company accounts for more than a quarter, which is equal to the sum of the other two groups that work for the company under 1 year.

However, in terms of 1 to under 3 years of working, the number of workers in 30-39 years old, who are also adaptable to technology while finding a stable source of income, is the highest among the three with the ratio between two groups of seniority higher than 100%. At the same time, the ratio of 18-29 years old group and higher than 40 years old group show similarity of about 0.4. While the young people are more flexible to change, the older than 40 years old group, who are experienced, striving for stability but usually find it difficult to adapt to new technology and the amount of tasks they have to carry out.

For employees that have worked more than 3 years in the company, who have been working since AIO was a traditional logistic company, most of them have been offered to become managers in the company. However, the number of young people 18-29 years old is only 7, as most young people seek new opportunities and challenges which they can find in a larger company. This also indicates a problem: AIO wants to apply technology in the operation, wants more innovation, but the current policies cannot attract and retain young talented workers, who are more adaptable to technology and change, who are more creative and innovative, catching trends in the world. The current managers in the middle layers of AIO are experienced, excellent

at managing the old way, but changes and innovations need to be started by the young people. Therefore, in the long run, the recruitment of talented managers is needed.

Table 4.2: Distribution of AIO Express & Logistics workforce by age and seniority

| | 18 - 29 years old | | 30 - 39 years old | | >= 40 years old | | Total | |
|--------------|-------------------|--------|-------------------|--------|-----------------|--------|-------|---------|
| <1 year | 100 | 28.01% | 41 | 11.48% | 60 | 16.81% | 201 | 56.30% |
| 1 - <3 years | 42 | 11.76% | 50 | 14.01% | 24 | 6.72% | 116 | 32.49% |
| 3 - <5 years | 7 | 1.96% | 10 | 2.80% | 5 | 1.40% | 22 | 6.16% |
| >= 5 years | 0 | 0.00% | 7 | 1.96% | 11 | 3.08% | 18 | 5.04% |
| Grand Total | 149 | 41.74% | 108 | 30.25% | 100 | 28.01% | 357 | 100.00% |

Source: Created by authors (2024)

4.2 Cronbach Alpha - Scale Reliability of Measurement

The reliability of the scale is assessed by Cronbach's Alpha coefficient. Cortina (1993) indicated that Alpha Cronbach coefficients at 0.7 is an acceptable result, while higher than 0.8 is an ideal result. Also, the Corrected Item-Total Correlation must be higher than 0.3 to be accepted. The results of Cronbach's Alpha analysis for independent factors are summarized in the table 3.3:

Table 4.3: Cronbach's Alpha Test Results of Variables

| Variables | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|---|----------------------------|--------------------------------|----------------------------------|----------------------------------|
| SN1 | 9.73 | 9.072 | 0.859 | 0.86 |
| SN2 | 9.8 | 9.823 | 0.76 | 0.896 |
| SN3 | 9.24 | 10.32 | 0.697 | 0.917 |
| SN4 | 9.41 | 9.433 | 0.874 | 0.856 |
| Compensation, Rewards; Cronbach's Alpha = 0.910 | | | | |
| RL1 | 11.33 | 11.036 | 0.795 | 0.938 |
| RL2 | 11.04 | 10.493 | 0.885 | 0.909 |
| RL3 | 10.96 | 10.573 | 0.881 | 0.91 |
| RL4 | 11.31 | 10.792 | 0.853 | 0.919 |
| Workplace Relationships and Supervisory; Cronbach's Alpha = 0.938 | | | | |
| RG1 | 10.86 | 11.011 | 0.838 | 0.93 |
| RG2 | 10.94 | 10.155 | 0.853 | 0.926 |
| RG3 | 10.84 | 10.233 | 0.942 | 0.897 |
| RG4 | 11 | 10.97 | 0.812 | 0.938 |
| Acknowledge of Success and AIOancement Opportunities; Cronbach's Alpha= 0.941 | | | | |
| NW1 | 10.2 | 11.763 | 0.858 | 0.963 |

| | | | | |
|---|-------|--------|-------|-------|
| NW2 | 10.29 | 11.338 | 0.933 | 0.942 |
| NW3 | 10.29 | 10.863 | 0.94 | 0.939 |
| NW4 | 10.33 | 11.274 | 0.893 | 0.953 |
| Characteristics of Job Duties; Cronbach's Alpha = 0.962 | | | | |
| SM1 | 10.78 | 13.399 | 0.854 | 0.976 |
| SM2 | 10.55 | 12.527 | 0.969 | 0.943 |
| SM3 | 10.55 | 12.488 | 0.958 | 0.946 |
| SM4 | 10.65 | 12.627 | 0.899 | 0.964 |
| Motivation; Cronbach's Alpha = 0.968 | | | | |

Source: Created by authors

It seems that the Cronbach coefficients for the measurements of the first factors Salary, Remuneration and Benefits were all higher than 0.7, with the Total Correlation all higher than 0.3. which indicated that the variables for the Salary, Remuneration and Benefits are qualified to carry out the exploratory factor analysis (EFA). The same was applied for the other three factors RL, RG and NW and the dependent variables motivation.

4.3. Exploratory Factor Analysis - EFA

Scale of factors affecting work motivation of employees at AIO Express & Logistics including 4 independent variables: Salary, Remuneration and Benefits; Relationships with colleagues, superiors; Achievement recognition & Growth opportunities; Nature of work; and 1 dependent variable Motivation.

Table 4.4: Kaiser-Meyer-Olkin and Bartlett's Test Result

| Index | Value | Requirement |
|----------------------------|-------|-------------|
| KMO | 0.811 | ≥ 0.5 |
| Barlett's Test Significant | 0.000 | ≤ 0.05 |

Source: Created by authors (2024)

The Exploratory Factor Analysis was done to confirm the dimensionality of the item scale and the Kaiser-Meyer-Olkin and Bartlett's Test has been used to determine if the factors were fit to carry out the EFA.

The KMO index was 0.811 higher than 0.5 and the significant value was 0.000 less than 0.05, which are the standard for "The sample and factors extracted here were considered as appropriate and adequate" (Williams et al., 2010) for the EFA.

Table 4.5: Rotated Component Matrix

| | Component | | | |
|-----|-----------|-------|-------|-------|
| | 1 | 2 | 3 | 4 |
| RG3 | 0.86 | | | |
| RG2 | 0.831 | | | |
| RG1 | 0.794 | | | |
| RG4 | 0.636 | | | |
| SN4 | | 0.877 | | |
| SN1 | | 0.82 | | |
| SN2 | | 0.817 | | |
| SN3 | | 0.635 | | |
| RL3 | | | 0.794 | |
| RL1 | | | 0.765 | |
| RL2 | | | 0.756 | |
| RL4 | | | 0.719 | |
| NW2 | | | | 0.748 |
| NW4 | | | | 0.736 |
| NW1 | | | | 0.726 |
| NW3 | | | | 0.665 |

Source: Created by authors (2024)

The result of the Exploratory Factor Analysis indicated that there is no change in the factors in the proposed research model. Therefore, the research model will be preserved.

4.4. Regression Analysis

Table 4.6: Regression Model Summary

| Model | R | R Square | Adjusted Square | R | Std. Error of the Estimate | Durbin-Watson |
|-------|-------------------|----------|-----------------|---|----------------------------|---------------|
| 1 | .908 ^a | 0.824 | 0.816 | | 0.50758 | 1.641 |

Source: Created by authors (2024)

The Adjusted R Square for the model was 0.816, which means that 81.6% of the dependent variable's variation can be explained by the independent variables in the model, or the variation of employee motivation can be explained 81.6% by the variation of the independent variables and the rest can be explained by independent variables not in the model.

Table 4.7: Regression Result

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|------------|-----------------------------|------------|---------------------------|-------|-------|
| | B | Std. Error | Beta | | |
| (Constant) | 0.1 | 0.198 | | 0.502 | 0.617 |
| SN | 0.105 | 0.073 | 0.09 | 1.442 | 0.153 |
| RL | -0.225 | 0.079 | -0.205 | -2.84 | 0.005 |
| RG | 0.362 | 0.079 | 0.328 | 4.562 | 0 |
| NW | 0.768 | 0.089 | 0.722 | 8.645 | 0 |

Sources: *The Author*

- Variable SN has the Sig. > 0.05, which means that Hypothesis 1 that “Compensation, Rewards factors has influence on employee’s motivation” will be rejected. The other factors RL, RG, NW all have significant levels lower than 0.005, therefore we can conclude the change in Workplace Relationships and Supervisory; Acknowledgement of Success and AIOancement Opportunities; Characteristics of Job Duties can be used to explain the variation of employee motivation.
-
- The variable RL has the Standardized Beta Coefficient lower than 0, which means that the increase in the factor Workplace Relationships and Supervisory will result in the decrease in the employee motivation, or one unit increase in the variable RL will result in 0.205 unit decrease in the SM dependent variables. Therefore, the hypothesis that “Workplace Relationships and Supervisory has influence on driver’s motivation” was accepted.
-
- The variable RG has the Standardized Beta Coefficient at 0.328 > 0, which means the 1 unit increase in the factor Acknowledgement of Success and AIOancement Opportunities will lead to the rise of 0.328 units in employee motivation. Therefore, the hypothesis that “Acknowledgement of Success and AIOancement Opportunities factors has influence on employee’s motivation” will be accepted;
-
- The last variable NW has the highest Standardized Beta Coefficient at 0.722, a high number which indicates that the investment in the factors Characteristics of Job Duties will result in a considerate return on employee motivation, with each unit increase will also increase employee motivation by 0.722 units. Therefore, the hypothesis that “Characteristics of Job Duties factors has influence on employees motivation” will be accepted.

Table 4.8: Conclusion about Hypothesis

| Hypothesis | Standardized Beta Coefficients | Sig. | Result |
|---|--------------------------------|--------------|----------|
| H1: Compensation, Rewards factors has influence on employee's motivation | 0.090 | 0.153 > 0.05 | Rejected |
| H2: Workplace Relationships and Supervisory has negative influence on driver's motivation | -0.205 | 0.005 < 0.05 | Accepted |
| H3: Acknowledgement of Success and AIOancement Opportunities factors has influence on employee's motivation | 0.328 | 0.000 < 0.05 | Accepted |
| H4: Characteristics of Job Duties has influence on employees motivation | 0.722 | 0.000 < 0.05 | Accepted |

Sources: *The Author*

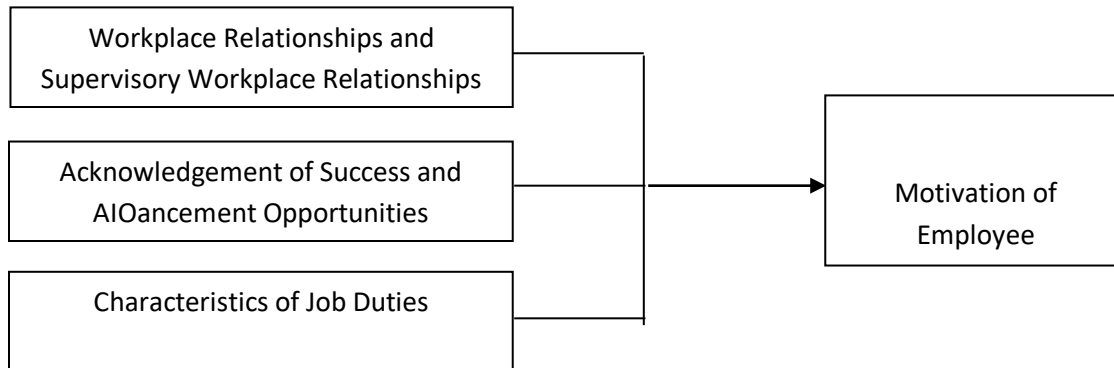


Figure 3.: Model of Research Results

5. Discussion

Recent research highlights three key factors influencing employee motivation at AIO Express & Logistics: Nature of Work, Achievement Recognition & Growth Opportunities, and Relationships with Colleagues and Superiors.

Characteristics of Job Duties stands out as the most significant factor. Data from in-depth interviews with AIO managers indicate that many employees exhibit low motivation when required to work overtime, despite monetary bonuses. This issue was particularly pronounced during the COVID-19 pandemic, as numerous employees were quarantined due to potential

exposure. Consequently, drivers often had to undertake loading and unloading tasks typically performed by delivery staff. Managers reported a significant decline in motivation during this period, with many employees contemplating resignation but remaining due to limited job prospects during the pandemic. The underlying cause, as suggested by some managers, is that employees at AIO prioritize stability and straightforward tasks over financial bonuses, as overtime work reduces family time and adds pressure.

Acknowledgement of Success and Advancement Opportunities is the second factor. The introduction of a KPI-based appraisal system in March 2021 has positively impacted high-performing employees, who are recognized and rewarded monthly. While this system primarily benefits the top tier of the workforce, some managers observed notable improvements in motivation and work attitudes among these employees. Additionally, training policies, though still developing, have shown positive effects. For instance, new drivers receive a month of training from experienced colleagues, significantly boosting their motivation. Employees also benefit from training sessions organized by AIO's partners, which introduce new procedures and knowledge, enhancing their job performance.

Workplace Relationships and Supervisory negatively impact motivation. Adaptation to new policies and procedures is slower in teams with more amiable managers. According to Mr. Su, a top manager, employees can exploit a manager's friendliness to avoid hard work. Many managers agree that new employees tend to lose diligence as they become familiar with their peers and supervisors. This phenomenon suggests that friendly managerial relationships may inadvertently reduce employee motivation.

AIO's flat organizational structure is a notable strength, allowing for quick personnel changes to more suitable positions. The company provides adequate welfare benefits, including meal allowances for drivers, holiday bonuses, and health assistance, which help prevent employee dissatisfaction. Salaries, based on delivery numbers, are considered fair and competitive within the logistics industry.

Rapid expansion has highlighted issues in human resources. While the logistics and service sectors have grown significantly, administrative staff numbers have not kept pace, leading to a strain on daily operations and development. Poor recruitment and a lack of professional HR management hinder growth, creating a cycle of slow development and talent retention issues. Inconsistent enforcement of technology usage standards and varied managerial styles further contribute to the slow adaptation to new policies and systems.

In conclusion, while AIO Express & Logistics has made strides in improving employee motivation and operational efficiency, significant challenges remain in achieving a cohesive and comprehensive human resources strategy and fostering a culture of continuous improvement and adaptation.

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