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STUDY ON FACTORS INFLUENCING TOTAL REWARD AT BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM

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The study aims to establish a model for factors influencing total reward (TR) and analyse the actual influences of those factors to TR at Bank for Investment and Development of Vietnam (BIDV). The authors conducted a survey of 700 workers at BIDV branches across the nation using a pre-designed questionnaire. The number of usable survey sheet collected is 653. Combined with data processing using SPSS and AMOS 21 software, the following results are acquired: Operational efficiency factors, the competence of the TR team, human resource strategy, the legal regulations on TR and organizational culture all have an impact on TR but at different level. In which, operational efficiency has the strongest impact on TR at BIDV. Based on the actual analysis, the research proposes some recommendation to improve the factors that facilitate the completion of TR at BIDV.

***Keywords**: total reward, Bank for Investment and Development of Vietnam, BIDV, factors*

***JEL Classifications**: M54, F66, J21, J31*

1. Introduction

Human is the most valuable asset of an organisation. Especially in today's intensely competitive global business environment, human resource is the key to success and a resource to help business gain competitive advantages. Good operational efficiency is the ultimate goal of every business (Lawler, 2003; CIPD, 2007; WorldatWork, 2007), but to achieve that, businesses must have qualified workers that are committed and devoted to the organisation (Spherion, 2005; Echols, 2006). TR is considered as an effective tool to help attract, retain and motivate workers and help businesses achieve their goals. However, to set up an effective TR system, it is necessary to invest in research, analysis and evaluation of external factors as well as internal situation, at the same time identify factors influencing the TR thereby proposing timely remedial and corrective measures.

Bank for Investment and Development of Vietnam (BIDV) is a special-class state-owned joint stock bank with a focus on serving development investment activities, projects, key development programs of the nation. Currently, BIDV is one of

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the biggest banks in Vietnam with the total asset of over 1.4 million billion VND, over 26 thousand staffs and employees. BIDV's network spreads across country with 189 branches nationwide, 01 branch overseas, presence in 6 countries and territories, 871 transaction offices, with over 10.4 million personal customers (accounting for 11% of the country's population), over 200 thousand corporate customers and cooperation relationships with more than 2,300 financial institutions around the world (BIDV Annual Report 2019). BIDV is rated by financial institutions as the leading banking brand in Vietnam, TOP 30 in ASEAN, TOP 500 globally and TOP 2000 in the world's most powerful and public companies. BIDV's human resources are the key to those success. BIDV has used many tools through TR to build and maintain a workforce. However, in the context of global integration and digital transformation with intense competition in finance and banking and human resources sectors, TR at BIDV must transform to enhance the competitiveness. In that process of transformation, it is very crucial to identify influencing factors to find the causes and propose solutions (Khalid Said Al-Jarradi, 2011; Do Thi Tuoi, 2013; M. Amstrong, 2015; Le Quan, 2016). The aims of this study is to establish and test the model of factors influencing TR at BIDV to capture and identify the degree of influence of factors on TR, thereby proposing recommendations to help BIDV promptly take measures to improve factors, creating conditions for completing the TR at BIDV.

2. Literature review on factors influencing TR

The topic of TR began to appear in the middle of the 17th century originating from classical British economists. After 3 centuries, TR has always been a topic of interest and a topical issue. With a process approach, researchers point out that TR is the process of identifying and maintaining a total reward system. In other words, TR is the process of paying value to workers to achieve the goals of the organisation and workers. This process includes the following activities: developing TR development, implementing and evaluating TR (Bob, 2011; Armstrong, 2014; Hoang Van Hai & Vu Thuy Duong, 2010; Nguyen Thi Minh Nha & Mai Thanh Lan, 2016; Pham Cong Doan, 2019). Domestic and overseas studies have confirmed the effects of factors to TR in organisation such as the legal regulations on TR, operational efficiency, human resource strategy, the team in charge of TR, organizational culture. Specifically:

The legal regulations on TR: International scholars such as George T. Milkovich & John W. Boudreau (2002), M. Amstrong (2015) and domestic scholars such as Nguyen Quang Trung (2006), Nguyen Van Diem & Nguyen Ngoc Quan (2007), Tran Kim Dung (2015), M. Armstrong (2015), Le Quan (2016) all agree that the regulation on TR such as the minimum wage, the development and adjustment of the wage scale, rewards and regulations of social insurance, etc. all have an impact on the decision in the establishment of TR policy in organization. The practical studies of Dao Thanh Huong (2003), Tran The Hung (2008), Vu Hong Phong (2011) also prove that the legal regulation of the Government have a significant influence on TR.

Operational efficiency: The impact of operational efficiency on TR in organisation is emphasized in the studies of foreign and domestic scholars (George T. Milkovich & John W. Boudreau, 2002; M. Nguyen Quang Trung, 2006; Nguyen Van Diem & Nguyen Ngoc Quan, 2007; Tran Kim Dung, 2015; M. Armstrong, 2015; Le Quan, 2016). The relationship between operational efficiency and TR has been tested by many researchers. However, the results obtained are not quite the same. Some researches show a strong and positive correlation between operational efficiency and TR (Murphy, 1985; Bussin & Huysamen, 2004; Ghosh, 2006; Kato & Long, 2006; Pan et al., 2009; Jorn M. Andreas, Marc Steffen Rapp, Michael Wolff, 2010; Khalid Said Al-Jarradi, 2011; Conyon & He, 2011; Ozkan, 2011; Mark Bussin, 2015). There are also researches that find positive correlation between operational efficiency and TR but at a low level (Jensen & Murphy, 1990; Yermack, 1995; Conyon, 1997; Gregg et al. 2005;

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Girma et al. 2007; Catherine T. Jeppson et al., 2009). Researches of Ngo My Tran, Bui et al. (2018) determine that operational efficiency is demonstrated through earnings per share (EPS) and market value of the company (Tobin's Q index) has a positive relationship with TR.

Human resource strategy: M. Armstrong (2015) states that "Human resource strategy with the connection to TR activities will help the TR to be effective and achieve set goals" [1]. Tran Kim Dung (2015) also points out that the relationship between human resource strategy and TR, according to which the TR system must be designed based on the human resource strategy [3]. The actual study of Khalid Said Al-Jarradi (2011) at the Government sector in the Omani Sultanate also proves that the human resource strategy has a positive impact on the efficiency of TR system [9].

The competence of the TR team: This is considered a decisive factor to the success or the failure of TR system. The role and the influence of TR team to TR has been confirmed by domestic and foreign researchers both in theoretical and practical studies (George T. Milkovich & John W. Boudreau, 2002; Dao Thanh Huong, 2003; M. Nguyen Quang Trung, 2006; Nguyen Van Diem & Nguyen Ngoc Quan, 2007; Tran The Hung, 2008; Vu Hong Phong, 2011; Tran Kim Dung, 2015; M. Armstrong, 2015; Le Quan, 2016).

Oganisational culture: In the research of factors influencing TR, George T. Milkovich & John W. Boudreau (2002), Tran Kim Dung (2015), M. Armstrong (2015), Le Quan (2016) all mention that organizational culture as a catalyst to facilitate the implementation of TR. Some empirical studies abroad such as the research model of Hofstede et al. (1990), Wilderom et al. (2012), Haluk Tanriverdi, Can Cakmak, Erkut Altindag (2016) also prove organisational culture affect TR. The typical research model of Nguyen Thi Hong Tham (2014) also concludes that organizational culture has an impact on the level of reward use, principles of reward distribution, reward payment method and the basis to determine reward [12].

Especially, the research of model of Do Thi Tuoi (2013) on the factors influencing the TR method according to the market mechanism has proven that the team in charge of TR, the legal regulations on TR strongly impact TR through the regression equation: loge (P(Y=1)/P(Y=0)) = -27,041 + 3,318 TR team + 3,084 legal regulations on TR +1,474 business owners + 3,649 fairness on TR for workers [13].

Through the overview picture of factors influencing TR, the researches all agree on the impact of legal regulations on TR, human resource strategy, operational efficiency and the competence of TR team, organizational culture on total reward. These researches were performed both in domestic and overseas. However, the researches are mainly qualitative or merely the research on the impact of some factors to some aspects of TR in different fields and environmental conditions. In Vietnam, there has not been any study using quantitative method on factors influencing TR at BIDV.

3. Theoretical framework and hypotheses

3.1. Concepts and research scale

The concepts and research scale of factors influencing TR are summarised, inherited and developed from domestic and foreign researches. Through researching and interviewing experts and managers at some enterprises, the authors propose and modify the research model of factors influencing TR in organisation to fit the research context. The core concept of the research of factors influencing TR in organisation are selected and proposed including: TR in organisation; legal regulations on TR; operational efficiency; human resource strategy; competence of TR team; organizational culture. The scale used are built based on the inheritance and the development of previous researches. All the scales are 5-point Likert scales: where 1 is strongly disagree and 5 is strongly agree.

3.1.1. Concept and scale of TR in organisation

Total reward in organisation is the process that includes planning, implementing and evaluating TR to achieve the organisation goals and bring satisfaction to workers. The scale for TR in organisation is built based on research of factors influencing TR and the content of total reward process. TR in organisation scale includes 12 observed variables, which are shown in Table 1.

Table 1: *The scale of TR in organisation*

Encryption	Scale	Research
tcld1	Identifying the objective of TR	Nguyen Quang Trung (2006), Khalid Said Al-Jarradi (2011), M. Armstrong (2015), Mai Thanh Lan & Nguyen Thi Minh Nhan (2016), Dinh Thi Huong (2019), Nguyen Thi Minh Nhan (2020)
tcld2	Building regulations of TR	
tcld3	Promulgating guidelines for TR	
tcld4	Building TR programs	
tcld5	Planning TR's budget	
tcld6	Organising TR apparatus	
tcld7	Organising internal communication on TR	
tcld8	Training human resources on TR implementation	
tcld9	Implementing TR programs	
tcld10	Determining criteria for assessing TR	
tcld11	TCLĐ Measuring key outcomes of TR	
tcld12	Implementing the adjustment of TR	

3.1.2. Concept and scale of legal regulations on TR

Legal regulation on total reward are the State's regulations on TR, which are institutionalised in the form of laws, decrees, circulars, decisions, directives, etc., in order to manage TR in organisation. The scale of legal regulations on TR is inherited and developed on the basis of the researches of scholars on TR and the influence of legal regulations on TR. This scale includes 5 observed variables and is summarised in Table 2.

3.1.3. Concept and scale of operational efficiency

Operational efficiency is the comparative correlation between the results achieved and the costs incurred to achieve that result. The scale of operational efficiency is summarised and developed on the basis of researches of scholars and the research model of Bussin & Huysamen (2004), Mark Bussin (2015) when studying operational efficiency and the influence of factors on TR. This scale includes 5 observed variables, which are shown in Table 3.

3.1.4. Concept and scale of human resource strategy

The impact of human resource strategy on TR is tremendous. To be able to achieve organizational goals, TR needs to be closely connected to human resource strategy such as planning, recruitment, training and development, performance management, etc. The scale of human resource strategy (cl) is inherited and developed on the basis of researches on the impact of human resource strategy on TR of researchers. This scale includes 5 observed variables, which are shown in Table 4

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Table 2: *The scale of legal regulations on TR*

Encryption	Scale	Research
pl1	Legal regulations on TR provide requirements to identify minimum wage	George T. Milkovich & John W. Boudreau (2002), Dao Thanh Huong (2003), Nguyen Quang Trung (2006), Nguyen Van Diem & Nguyen Ngoc Quan (2007), Tran The Hung (2008), Vu Hong Phong (2011), Do Thi Tuoi (2013), Tran Kim Dung (2015), M. Armstrong (2015), Le Quan (2016), Nguyen Huu Dung (2018), Labor Code (2019), decrees, circulars, decisions, sub-law directives, etc. and researche model of Mark Bussin (2015)
pl2	Legal regulations on TR provide requirements to build and adjust the wage scale	
pl3	Legal regulations on TR provide requirements to build, adjust and supplement regulations on TR	
pl4	Legal regulations on TR provide requirements on the method of TR	
pl5	Legal regulations on TR provide requirements to build a payment fund	

Table 3: *Scale of operational efficiency*

Encryption	Scale	Research
hq1	Return on Asset impacts TR	Jorn M. Andreas, Marc Steffen Rapp, Michael Wolff (2010), Vu Hong Phong (2011), Khalid Said Al-Jarradi (2011), Ngo My Tran et al. (2018), Dinh Thi Thu Hien, Hoang Thi Phuong, Dinh Thi Thu Ha (2020) and research model of Bussin & Huysamen (2004), Mark Bussin (2015)
hq2	Return on Equity impacts TR	
hq3	Earning per shares impacts TR	
hq4	Labour productivity impacts TR	Sumit K. Majumdar (1997), Pham Cong Doan (2012)
hq5	Employee profitability impacts TR	

3.1.5. Concept and scale of the competence of TR team

Competence is a collection of knowledge, skills and attitudes to perform a task in a specific context. TR team is the people who are in charge of planning, implementing, maintaining, inspecting and adjusting TR system. In order to be effective in planning, developing and implementing TR, it is necessary for TR staffs to have sufficient knowledge, skills and attitudes and to constantly learn and research to improve their abilities as well as keep up with new trends in TR. The coordination in activities of TR team will help TR to be steady and effective. In addition, TR team must also have vision and strategy to orient TR activities and avoid future risks. The scale of the competence of TR team (nl) is summarised and developed on the basis of the researches on the impact of TR team on TR of scholars. This scale includes 5 observed variables, which are shown in Table 5.

3.1.6. Concept and scale of the organizational culture

Organisational culture is a collection of shared value that organisation's members learn during

Table 4: *Scale of human resource strategy*

Encryption	Scale	Research
cl1	There is a close connection between TR and human resource planning	Tran Kim Dung (2015), M. Armstrong (2015), Le Quan (2016) and the research model of Khalid Said Al-Jarradi (2011)
cl2	There is a close connection between TR and human resource recruitment system	
cl3	There is a close connection between TR and human resource retention system	
cl4	There is a close connection between TR and human resource training and development system	
cl5	There is a close connection between TR and performance management	

Table 5: *Scale of the competence of TR team*

Encryption	Scale	Research
nl1	The TR team has good knowledge, skills and attitudes on TR	Tran The Hung (2008), Do Thi Tuoi (2013), Tran Kim Dung (2015), M. Armstrong (2015), Le Quan (2016)
nl2	The TR team cooperates well in implementing TR	
nl3	The TR team has a vision on TR	
nl4	The TR team has a strategy on TR	
nl5	The TR team is often trained, fostered and improved on the capacity to perform TR	

working process. The scale of organizational culture (vh) is inherited from studies on the impact of organizational culture on the efficiency of the organisation in general and on TR in particular. Observed variables in the scale is inherited from the organizational culture research model of Hofstede et al. (1990) and the study of Wilderom et al. (2012), Nguyen Thi Hong Tham (2014). This scale includes 6 observed variables, which are shown in Table 6.

Table 6: *Scale of organizational culture*

Encryption	Scale	Research
vh1	Results-oriented culture affects TR	Hofstede et al. (1990); Nguyen Thi Hong Tham (2014)
vh2	Organisation only concerns about employee's work	
vh3	Workers are very open and friendly	
vh4	Workers have the chance to make the decision in their work	Wilderom et al. (2012)
vh5	Departments cooperate with each other in work	
vh6	Performance measurement is taken seriously	

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3.2. Research model and hypotheses

3.2.1. Research model

From the result of the aforementioned researches, the authors are able to propose a theoretical research model on the factors influencing total reward in organisation as follows:

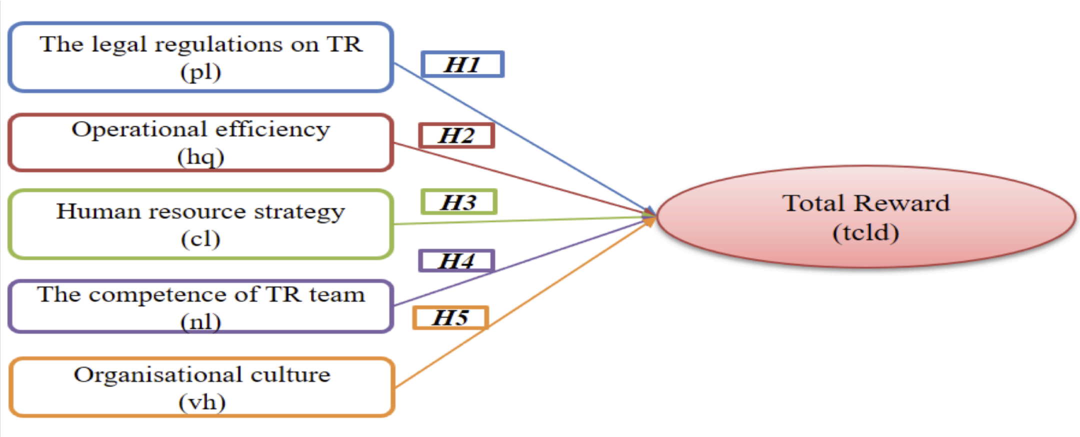

Figure 1: *Research model on factors influencing TR in organisation*

Thus, the research model on factors influencing TR in organisation has a total of 38 scales, in which there are 05 independent variables that are pl, hq, cl, nl, vh and 01 dependent variable, i.e total reward (TR)

3.2.2. Research hypotheses

The theoretical research model is concretized through 05 hypotheses as follows:

Hypothesis 1 (H1): The legal regulations on TR has a positive impact on TR in organisation

Hypothesis 2 (H2): Operational efficiency has a positive impact on TR in organisation

Hypothesis 3 (H3): Human resource strategy has a positive impact on TR in organisation

Hypothesis 4 (H4): The competence of TR team has a positive impact on TR in organisation

Hypothesis 5 (H5): Organisational culture has a positive impact on TR in organisation

4. Research method

To achieve research objective, the authors use mixed research methods: qualitative and quantitative method, in particular:

4.1. Qualitative method

Qualitative method is used for the purpose of ensuring the scientificity and suitability of concepts, factors influencing TR and scale of variables in the research model, thereby establishing research model and initially test the fit of the model in the new context. Qualitative methods used include:

Desk research method: The method is used through the collection of data from domestic and foreign studies to obtain an overview of factors influencing TR. After reading, translating and summarising important contents of studies on factors influencing TR, authors pose questions, hypotheses and propose research model, at the same time identify the origin and content of the scale in the proposed model. Based on the concepts, the variables and scales, authors set up expected questionnaire.

Interview method: This method is carried out through the interview of experts who are lecturers from Thuongmai University, National Economy University, Banking Academy, bank's representatives, experts from BIDV with deep knowledge on TR and independent experts on the field of labour, wage, etc. to evaluate and test the suitability in terms of terminology, design questions, scales to ensure clarity, consistency to use as the basis for questionnaire correction in the survey sheet.

4.2. Quantitative method

Data collection method: The survey method is used in quantitative research to gather data to quantify the relationship between factors influencing TR. The survey method is carried out with a standard scale (adjusted after preliminary research) then the survey is sent to 50 BIDV's branches nationwide (700 survey sheets were distributed and 653 valid sheets were collected, which reaches 93.29% of the total number of surveys distributed).

Data processing method: The number of valid survey sheets are coded and entered into an Excel file, then processed by analysis tools SPSS 21 and AMOS 21to: Test for scale reliability through Cronbach's Alpha coefficient; Exploratory Factor Analysis (EFA); Confirmatory Factor Analysis (CFA) and analysing Structural Equation Modeling (SEM) to test for the fit of the model of factors influencing TR at BIDV.

Interview and discussion method: After obtaining research results, authors use interview and discussion method with experts in the field of TR at universities, organisations about labour - wage and staffs in charge of TR at BIDV to propose recommendation for the improvement of factors influencing TR at BIDV.

5. Research results

5.1. Descriptive statistics of the research sample

The total number of valid survey sheets collected is 653, in which 171 sheets are for managers, 482 are for officers and employees at 50 branches of BIDV. The results of the descriptive statistics are as follows:

Regarding gender: The proportion of male and female in the sample is fairly balanced, in particular, 53,3% are male and 46,7% are female. This rate is consistent with the Annual Report of BIDV in the period of 2015-2019 on workers.

Regarding age: The age group with the highest proportion in the sample is from 31 to 40 years old, accounting for 48,1%, followed by the age group from 25 to 30 years old with 22,6%, the age group from 41 to 60 years old accounts for 20,4%, the remaining 6,2% is the age group under 25 years old and 2,5% is for the age group from 51 to 60 years old, the age group over 61 years old is not included in the survey sample. The results from the survey are also consistent with the data on working age reported by BIDV in the worker reports.

Regarding qualifications: Workers with university degrees accounted for the highest proportion with 82.1%, followed by workers with postgraduate degrees accounted for 14.5% and workers with intermediate and college degrees only accounted for 3.4%. These results are completely consistent with the statistics on workers qualifications presented by BIDV in the Annual Report. The respondents in the sample have a high level of proficiency, which ensures the quality of the survey sheets.

Regarding the number of years of experience: The seniority of workers at BIDV mainly belongs to the group from 11 to 15 years accounting for 42,2%, followed by the group from 5 to 10 years accounting for 23,7%, the senioriy of workers from 15 to 20 years, accounting for 12,6%, the seniority of workers above 20 years accounting for 11,2% and the lowest is the group with less than 5 years seniority accounting for 10,3%. This creates favourable condition for the survey process in particular by approaching workers who have been with BIDV for at least 5 years or more, the research is able to approach the workers with certain knowledge as well as the change in TR over time.

Regarding average income: The average income from 15 to 20 million accounts for the highest proportion in the survey sample with 30,1%, followed by the average income group from 10 to 15 million, accounting for 21,9%. Average income group of over 25 million accounts for 15,5% with 166 survey sheets, this group is mainly the managers of BIDV. The average income of BIDV is considered to be in line with the general average income in the financial market, but compared with commercial banks of the same level as Vietcombank, Techcombank, Viettinbank, this income level is lower (according to annual financial reports of banks) and this is BIDV's limitation in terms of human resource competition.

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5.2. Scale reliability test

The criteria used when evaluating the reliability of the scale are as follows: Removing observed variables with small Corrected Item Total Correlation (smaller than 0.3) ; The scale can be used when the reliability of Cronbach's Alpha is greater than 0.6. The greater the Cronbach's Alpha coefficient, the higher the consistent of reliability (Nunally & Burnstein, 1994; Nguyen Dinh Tho & Nguyen Thi Mai Trang, 2009); The value level of Cronbach's Alpha: greater than 0.8 is a good scale; from 0.7 to 0.8 is usable scale; from 0.6 or more can be used in case the research concept is new in the research context (Nunally, 1978; Peterson, 1994; Hoang Trong & Chu Nguyen Mong Ngoc, 2005). The overall reliability of the scales: pl, hq, cl, nl, vh, tcld all satisfy Cronbach's Alpha coefficient and the Corrected Item Total Correlation (see Table 7). Specifically:

(i) The reliability of legal regulations on TR scale: variables in the scale lp have Cronbach's Alpha coefficient = 0.817>0.6, which ensures high reliability. The smallest Corrected Item Total Correlation coefficient reaches 0.545, which is greater than 0.3, showing that observed variables can all be used for EFA.

(ii) The reliability of operational efficiency scale: variables in the scale hq have Cronbach's Alpha coefficient = 0.785>0.6, which ensures high reliability. The smallest Corrected Item Total Correlation coefficient reaches 0.442, which is greater than 0.3, showing that observed variables can all be used for EFA.

(iii) The reliability of human resource strategy scale: variables in the scale cl have Cronbach's Alpha coefficient = 0.802>0.6, which ensures high reliability. The smallest Corrected Item Total Correlation coefficient reaches 0.346, which is greater than 0.3, showing that observed variables can all be used for EFA.

(iv) The reliability of competence of TR team scale: variables in the scale nl have Cronbach's Alpha coefficient = 0.778>0.6, which ensures high reliability. The smallest Corrected Item Total Correlation coefficient reaches 0.552, which is greater than 0.3, showing that observed variables can all be used for EFA.

(v) The reliability of organizational culture scale: variables in the scale cl have Cronbach's Alpha coefficient = 0.792>0.6 (after removing observed variable vh6), which ensures high reliability. The smallest Corrected Item Total Correlation coefficient reaches 0.501, which is greater than 0.3, showing that observed variables can all be used for EFA.

(vi) The reliability of TR scale: variables in the scale tcld have Cronbach's Alpha coefficient = 0.805>0.6, which ensures high reliability when removing tcld3, tcld6, tcld10, tcld11 due to having the Corrected Item Total Correlation coefficient smaller than 0.3. The smallest Corrected Item Total Correlation coefficient reaches 0.444, which is greater than 0.3, showing that the remaining observed variables can all be used for EFA (Table 7)

After testing the reliability of the scales, the variables that do not ensure reliability are excluded as follows: vh6, tcld3, tcld6, tcld10, tcld11.

5.3. Exploratory factor analysis

In the first run of EFA for factor groups, the results show that KMO = 0.850 > 0.5, Sig of Bartlett's test = 0.000 < 0.05, which all satisfy the requirements. In the second run of EFA for factor groups, the results show that KMO = 0.848 >0.5, Sig of Bartlett's test = 0.000 < 0.05, which all satisfy the requirements. However, observed variables vh1, cl3, pl2, tcld4, tcld7, tcld8 do not satisfy the requirement of the factor loading > 0.5. Thus, these observed variables are in turn excluded from the model. The result of EFA test run is as follows Table 8:

The data is suitable for EFA, with the significance level <0.05, it can be concluded that observed variables are correlated with each other. The proposed factors can explain 55.721%>50% of the variables with the breaking point method used with Eigenvalues reach 2.3680 > 1, which satisfies the requirement. Through the test of scale reliability and factors analysis, there are 6 factors remaining including: hq (hq1, hq5, hq4, hq2, hq3); nl (nl4, nl2,

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Table 7: *Summary of results evaluating scale reliability*

Factor	Concepts	Remaining observed variables	Reliability		Evaluation
			Cronbach's Alpha	Corrected Item Total Correlation	
pl	Legal regulations on TR	5	0,817	0.545	*Qualified*
hq	Operational efficiency	5	0,785	0.442	
cl	Human resource strategy	5	0,802	0.346	
nl	The competence of TR team	5	0,778	0.552	
vh	Organisational culture	5	0,792	0.501	
tcld	Total reward	8	0,805	0.444	

Source: Summary from analysis results of SPSS 21

Table 8: *Results of KMO and Bartlett's Test*

		.848
KMO Bartlett's Test of Sphericity	Approx. Chi-square	4223.821
	df	231
	Sig.	.000

Source: Analysis results of SPSS 21

nl1, nl5); tcld (tcld1, tcld2, tcld12, tcld5, tcld9); cl (cl1, cl2, cl5); pl (pl5, pl3, pl1); vh (vh3, vh2) (see Table 9).

5.4. Confirmatory factor analysis

The CFA results of the scale model are presented in Figure 2. This model has 180 degrees of freedom.

The figure below shows the value of Chi-squared = 451.219 with p value= .000. Other indicators: Chi - squared/df = 2.507, GFI= 0.930, TLI= 0.914, CFI= 0.933, which are all higher than 0.9 (Bentler & Bonett, 1980), RMSEA = 0.052<0,08 (Steiger, 1990), which show that the model is considered to be suitable with market data.

Unidimensionality: CFA gave results of Chi - squared = 451.219 with p=000. Other indicators: Chi - squared/df =2.507, GFI= 0.930, TLI= 0.914, CFI= 0.933, which are all higher than 0.9 (Bentler & Bonett, 1980), RMSEA = 0,052 < 0,08 (Steiger, 1990), which show that the model is considered to be suitable with market data. This gives a necessary and sufficient condition for the set of observed variables to achieve unidimensionality (Steenkamp & Van Trip, 1991).

Convergent validity: All the weights (standardized) are greater than 0.5, it proves that the scale of concepts all achieve convergent validity.

Discriminant validity: The correlation coefficients between the research concepts in the model are all positive and < 1 and different to 1, P-value is

Table 9: *Pattern Matrix*

	Factor					
	1	2	3	4	5	6
hq1	.747					
hq5	.737					
hq4	.720					
hq2	.652					
hq3	.621					
nl4		.745				
nl2		.670				
nl1		.655				
nl5		.653				
tcld1			.754			
tcld2			.652			
tcld12			.605			
tcld5			.513			
tcld9			.506			
cl1				.891		
cl2				.767		
cl5				.687		
pl5					.663	
pl3					.611	
pl1					.512	
vh3						.770
vh2						.625

Source: Analysis results of SPSS 21

very small and <0.05, so the correlation coefficient of each pair of concepts is different to 1 at the confidence level of 95%. Thus, the research concepts in this model all achieve discriminant validity.

5.5. Test results of model and research hypotheses

5.5.1. Results of research model testing

After running AMOS software, SEM model is acquired (figure 3).

There is 180 degrees of freedom in the model, Chi - squared = 451.219 with p=000. Other indicators: Chi - squared/df =2.507, GFI= 0.930, TLI= 0.914, CFI= 0.933, which are all higher than 0.9 (Bentler & Bonett, 1980), RMSEA = 0,052 < 0,08 (Steiger, 1990), which show that the model is considered to be consistent with market data.

5.5.2. Results of hypotheses testing

The results of SEM analysis show that there are 5 factors in the model that have an impact on TR at BIDV including: operational efficiency, competence of TR team, human resource strategy, legal regulations on TR, organizational culture. All 5 factors are at 10% significance level due to P-value<0.1. The regression weights in the table are positive, which shows that operational efficiency, compe-

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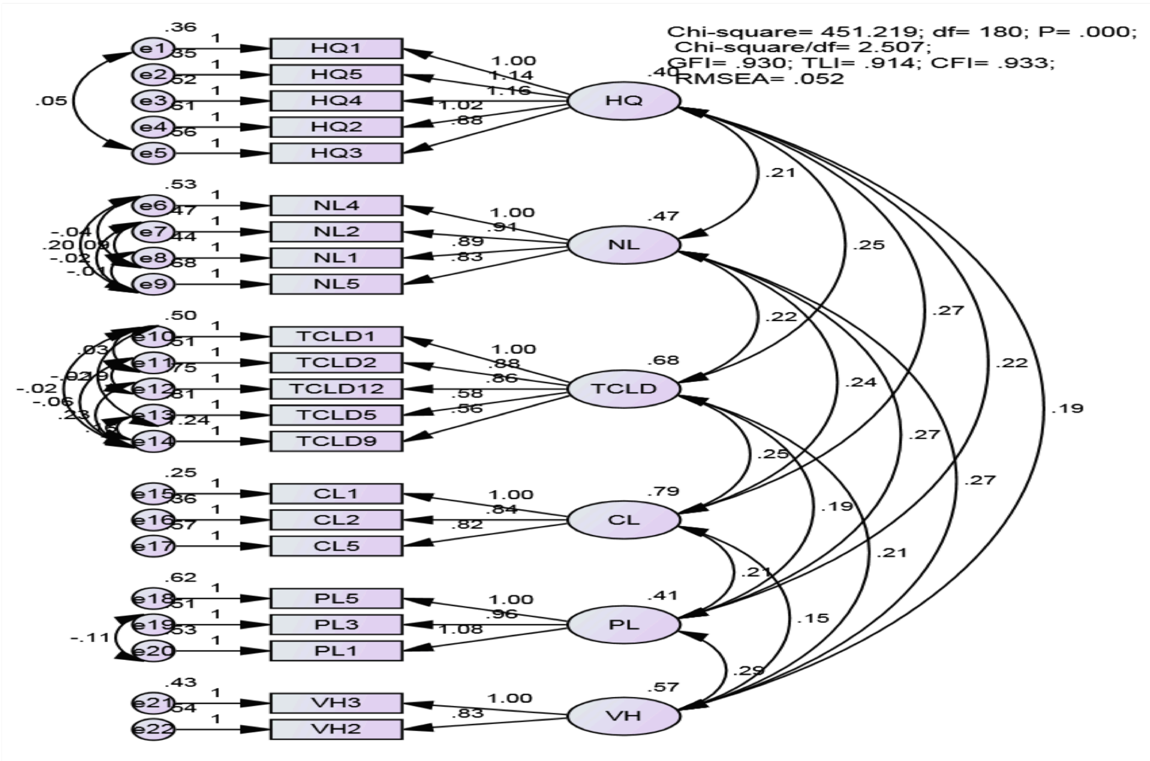
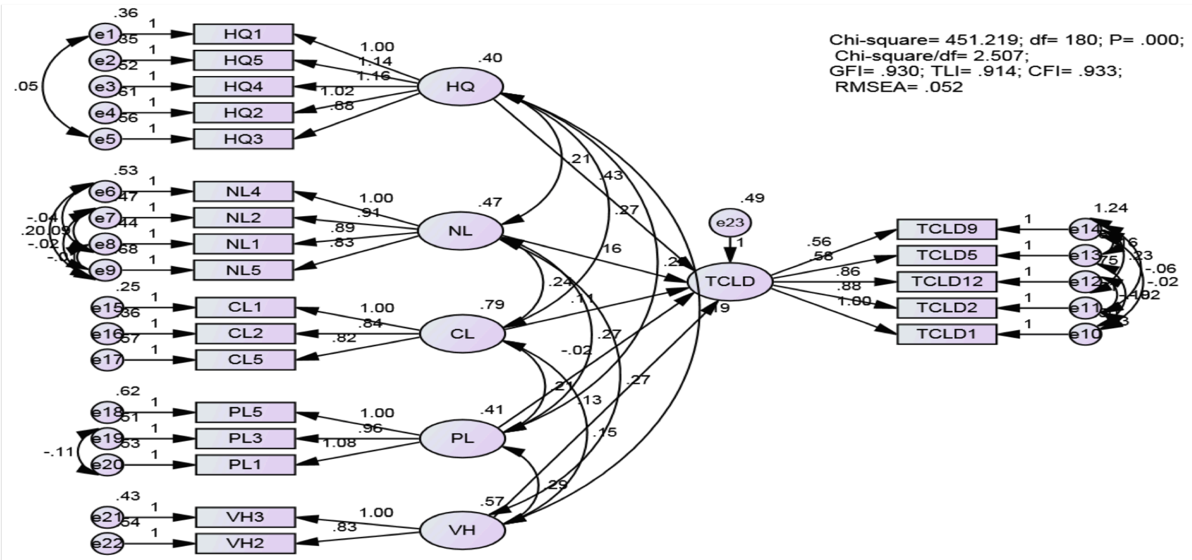


Source: Analysis results of AMOS 21

Figure 2: *Results of CFA (standardized)*



Source: Analysis results of AMOS 21

Figure 3: *SEM model (adjusted)*

tence of TR team, human resource strategy, legal regulations on TR, organizational culture have a positive influence on TR at BIDV (see Table 10).

Table 10: *Standardised Regression Weights*

	Estimate	S.E.	C.R.	P
TCLD <--- HQ	.416	.086	4.839	***
TCLD <--- NL	.397	.052	1.876	***
TCLD <--- CL	.295	.069	1.375	***
TCLD <--- PL	.168	.114	.610	***
TCLD <--- VH	.123	.076	1.615	.061

Source: Analysis results of AMOS 21

Thus, all 5 initial hypotheses are accepted, the factors of operational efficiency, competence of TR team, human resource strategy, legal regulations on TR, organizational culture have a positive influence on TR at BIDV (see Table 11).

tence of TR team, human resource strategy, legal regulations on TR, organizational culture. Nevertheless, the impact level and the role of these factors are not completely the same. In particular, the impact of the factors to TR at BIDV are as follows: operational efficiency (0.41), competence of TR team (0.397), human resource strategy (0.295), legal regulations on TR (0.168), organizational culture (0.123).

The linear regression equation representing the relationship between the variables in the model is as follows:

tcld = 0,41. hq + 0,397. nl + 0,295.cl + 0,168. pl + 0,123. vh

Thus, it can be concluded that at BIDV, internal factors such as operational efficiency, competence of TR team, human resource strategy have a stronger impact on TR than legal regulations on TR.

Legal regulations on TR, organizational culture. This result is consistent with the researches of Jorn

Table 11: *Hypothesis testing*

Hypotheses	Result
Hypothesis 1 (H1): The legal regulations on TR has a positive impact on TR in organisation	Accepted
Hypothesis 2 *(H2)*: Operational efficiency has a positive impact on TR in organisation	Accepted
Hypothesis 3 (H3): Human resource strategy has a positive impact on TR in organisation	Accepted
Hypothesis 4 (H4): The competence of TR team has a positive impact on TR in organisation	Accepted
Hypothesis 5 (H5): Organisational culture has a positive impact on TR in organisation	Accepted

6. Discussion and recommendations

6.1. Discussion of research results

Through the quantitative results (table 10), it show that the total reward at BIDV is affected by the following factors: operational efficiency, compe- M. Andreas, Marc Steffenrapp, Michael Wolff (2010), Ngo My Tran, Bui Van Trinh, Giang Minh Tien (2018), which affirm the positive influence of operational efficiency on TR; the researches of Tran The Hung (2008), Do Thi Tuoi (2013) confirm the

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positive influence of the competence of TR team on TR; the research of Khalid Said Al-Jarradi (2011) identifies the positive impact of human resource strategy on TR; the researches of Wilderom et al. (2012), Nguyen Thi Hong Tham (2014), Haluk Tanriverdi, Can Cakmak, Erkut Altindag (2016) state the positive influence of organizational culture on TR; the researches of Do Thi Tuoi (2013), Mark Bussin (2015) assert the positive impact of legal regulations on TR in organisation.

6.2. Recommendations

Based on the research results along with the method of interviewing and discussing with experts on TR field, the authors propose some recommendations to help improving the factors influencing TR at BIDV as follows:

6.2.1. Improving operational efficiency to create a solid financial foundation for total reward

Operational efficiency of BIDV has a direct and strongest influence on TR. Therefore, by improving the operational efficiency i.e increasing ROA, ROE, EPS, worker's profitability and productivity, every activity of TR will also be improved and enhanced. At BIDV, the planning of TR budget is determined on the basis of operating results of the entire system (for the general TR policy) and of each branch (for the TR policy of each branch). If BIDV's operational efficiency is high, it will create favorable conditions for the development and implementation of BIDV's total reward programs, thereby improving BIDV's competitiveness in both the labor market and the financial market. According to the Annual Financial Report of banks in the same level such as Vietcombank, Techcombank, Viettinbank, BIDV's operational efficiency is lower. This explains why the average income of BIDV's workers is lower than other banks. To increase the operational efficiency, BIDV needs to make specific decisions in its business strategy to increase revenue and profit such as: Regularly assessing the business context and situation; Implementing decently the business strategy set out; Increasing capital mobilization by various methods; Reducing bad debts and be drastic in bad debt settlement; Strengthening the application of information technology and scientific achievements in business activities; Organising decently customer care team; Strengthening professional training for customer contact team to improve customer satisfaction etc.

6.2.2. Strengthening and improving the competence of the team and staff in charge of TR at BIDV

The total reward team are the ones who decided the effectiveness of TR at BIDV. Thus, the TR team must have qualifications, skills, experiences and establish strategy for TR. Currently, staffs in charge of TR at BIDV are lacking in quantity and have uneven quality, most of them have not had the qualification on human resource management. At BIDV's branches, the number of staff in charge of TR is still limited. Moreover, due to job rotation policy of BIDV, many staffs have not had the chance to access to TR job, which leads to the confusion in the implementation process. Therefore, BIDV needs to have solutions to enhance the competence of TR team such as: Raising awareness of TR team on their responsibilities and roles in the assigned work as well as for the workers and the entire BIDV system. In which, special attention is required to change the perspective on TR and it is necessary to consider TR as a sustainable investment; Organising training and fostering courses for the staffs in charge on TR according to specific roadmaps and programs. It is necessary to have a training stream for the following subjects: For staffs who are new to the total reward, for experienced staffs, for managers of TR; The training content covers expertise, procedures, attitudes, professional implementation method. Training methods in the direction of using practical cases to solve, learn from and draw experience; The TR team also needs to regularly support and coordinate with each other in their work to ensure consistency and smoothness in TR process; Regularly evaluating the competence of staffs in charge of TR to accurately recognize the current situation, limitations and deficiencies in order to remedial and additional measures; Encouraging and creating favourable conditions (both in financial and time, work) so that TR team can actively learn and research on improving their competence and boldly propose initiatives to apply in practice. In addition, it is necessary to recruit staffs with professional qualifications on human resource management to strengthen the workforce in charge of TR. The TR team also needs to build TR strategy to determine the direction of TR work, creating favourable conditions for current implementation and future plans.

6.2.3. Strengthening human resource strategy with a strong connection between activities and total reward

Human resource strategy with a strong connection between TR and human resource planning, recruitment system and performance management are assessed by workers as having a direct influence on TR at BIDV. Human resource strategy is the guideline for the development of TR policies and programs at BIDV. However, in reality BIDV's human resource strategy still has many limitations. Thus, in order to facilitate the completion and improvement of TR effectiveness, BIDV needs to develop a human resource strategy for the entire system as well as for each department with a focus on close connection between human resource planning and TR in identifying the target audience to be planned in different job positions; close connection between recruitment system and TR to attract workers and improve BIDV's recruitment brand; close connection between performance management and TR to accurately evaluate the results of workers and departments, branches, thereby proposing directions to improve and enhance the performance of workers through the activity of total reward.

6.2.4. Renovating the approach on total reward regulations in the direction of increasing the activeness for organisation to facilitate the total reward completion

Legal regulations on TR is a management tool of the State to protect the rights and benefits of employees and employers. Legal regulations on TR have had many positive changes over the years in all aspects from regulations on minimum wage, wage scale, wage management, etc. to facilitate and increase self-determination for the organisation yet still ensure the interest of the employees. BIDV is a joint stock commercial bank controlled and managed by the State. As a result, legal regulations on TR have a significant impact of every TR policy of BIDV. The law on TR is guiding framework for every activity from identifying wage levels, wage scale and regulations on TR at BIDV. BIDV also actively builds wage payroll according to job positions and wage regulations associated with operational efficiency. However, in reality the policies, the law of the State on TR are still heavily influenced and deeply interfered in TR activities at BIDV in particular and in enterprise in general, especially state-owned enterprises. Thus, in the coming time, the State needs to renovate the approach on TR regulations in the direction of loosening the management, increasing the initiative for enterprises and mainly providing management principles, specifically: The State must consider wage policy renovation as an important task in developing and stabilising the country; The State needs to complete the minimum wage policy and soon complete and issue the Law on Minimum Wage; The State should provide principles for managing the enterprise's payroll scale and should not delve into the profession and techniques of building the enterprise's scale. That issue belongs to the category of self-determination of the enterprises and enterprises choose the most suitable development method for their organisations, that includes state-owned enterprises; The State needs to complete the system of legal documents and strengthen the inspection work; The State also needs to develop documents regulating and guiding human resource management activities in general and TR in particular for state-owned enterprises to create a foundation for proper TR according to regulations and at the same time reduce the time, efforts on updating, researching and applying contents of State management on TR; The State should research, issue and amend regulations on TR that are no longer reasonable and inconsistent to create environment and legal corridor for BIDV in particular and enterprises in general in implementing TR.

6.2.5. Building and developing organizational culture to create an environment and a catalyst for effective total reward

Organisational culture has an influence on TR at BIDV from developing TR plan, implementing TR to evaluating TR. BIDV with over 90% of workers with university qualifications or higher is a favourable condition for building and developing an effective organizational culture for TR. The work-oriented culture and an open system-oriented are having strong impact on the TR at BIDV. Thus, in order to improve the organizational culture to complete the TR, BIDV needs to value work-oriented culture and TR policies need to be built based on job positions, work performance results of individuals, departments and branches to ensure fair total reward, commensurate with the work undertaken and the work results. BIDV's workers value greatly the relationship with their coworkers. Thus, the Bank needs to build and develop an open-minded culture to help workers to be open, friendly and willing to share, help each other in both aspects, work and life. This has a great positive impact on the spirit and attitude of all workers as well as contributing to building an effective working environment at BIDV. Building and developing ogranisational culture requires joint effort and consensus from all levels of leadership to employees to create a solid and spiritual foundation to help build and implement highly effective jobs, at the same time create attachment, closeness and affection like a big family of all BIDV's members.

7. Conclusion

Total reward is an important tool that determines the attraction, maintenance, motivation and retention of workers and helps organisation to achieve its goals. Through a survey of 653 workers at BIDV, the authors sketch an overall picture about the influence of factors on TR, identify internal factors such as operational efficiency, the competence of TR team, that have stronger impact than external factors such as legal regulations on TR. The study also proposes recommendations to improve factors create favourable conditions for completing the total reward at BIDV. At the same time, the research results also create an important basis to orient future researches that study the factors influencing TR at other organisations, industries and fields to help enterprises come up with solutions to improve the factors thereby increasing productivity and the effectiveness of the organisation.

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Summary

Nghiên cứu nhằm mục đích xây dựng mô hình các yếu tố ảnh hưởng đến trả công lao động (TCLĐ) và phân tích thực trạng sự ảnh hưởng của các yếu tố đó đến trả công lao động tại Ngân hàng Thương mại Cổ phần Đầu tư và Phát triển Việt Nam (BIDV). Tác giả tiến hành khảo sát 700 người lao động tại các chi nhánh của BIDV trên cả nước bằng bảng hỏi được thiết kế sẵn. Số phiếu khảo sát thu về sử dụng được là 653 phiếu. Kết hợp với việc xử lý dữ liệu bằng phần mềm SPSS và AMOS 21 cho ra kết quả như sau: Các yếu tố hiệu quả hoạt động, năng lực của đội ngũ TCLĐ, chiến lược nguồn nhân lực, pháp luật về TCLĐ và văn hóa tổ chức đều có ảnh hưởng đến trả công lao động nhưng theo các mức độ khác nhau. Trong đó, hiệu quả hoạt động là yếu tố tác động mạnh nhất đến TCLĐ tại BIDV. Từ việc phân tích thực trạng, nghiên cứu đã đưa ra một số khuyến nghị nhằm cải thiện các yếu tố tạo điều kiện hoàn thiện TCLĐ tại BIDV.

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