

THE INFLUENCE OF CULTURE ON THE RELATIONSHIP BETWEEN THE INCENTIVE SYSTEM AND EMPLOYEES' SATISFACTION IN ENTERPRISES

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Abstract

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This study helps answer questions about the relationship between culture, various aspects of the incentive system and employees' job satisfaction. The research results help bring a deeper understanding of the role of culture in influencing the relationship between incentive systems and employees' job satisfaction. The study uses both qualitative and quantitative research methods. In the qualitative research phase, the study uses the case study method at an enterprise with data collected from the questionnaire surveys. The sample size was 150 enterprises. For each enterprise, the authors sent two questionnaires to two people, one of them works in the sales department and the other works in other departments such as the board of directors, the accounting department, the technical department, or the human resources department. The authors found that employees' cultural value of security needs moderates the relationship between the incentive system and their job satisfaction. In particular, for employees who have the cultural value of higher security needs, the enterprises apply the principle of equity or incentive based on individual results or higher incentive percentage or incentive frequency, and they are less satisfied. The results help managers understand more and make adjustments to increase the effectiveness of incentives.

Keywords: Job Satisfaction, Incentive System, Cultural Values, Security Needs

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1. INTRODUCTION

Satisfaction of employees will contribute to improvements in the results and efficiencies of enterprises (Pothukuchi et al., 2002). Therefore, it is very important to increase employee satisfaction with work in particular and with business management in general. Many studies have been conducted to investigate different aspects of the incentive system in relation to culture (Przysada, 2019) or employee preferences (Rehu et al., 2005; Goktan & Saatçioğlu, 2011). Based on these research results, managers can design incentive plans that match employee preferences to enhance the effectiveness of motivation. However, studies of this preference for compensation have been conducted in different countries where the six cultural values found by Hofstede (2011) were applied including risk avoidance value, power distance, masculinity or femininity, individualism or collectivism, long-term or short-term orientation and indulgence or restraint. Accordingly, the above authors found that workers in different countries with quite clear differences in the six cultural values mentioned above showed significant differences in their preferences for different mechanisms and methods in which incentives were designed and implemented. For example, Goktan and Saatçioğlu (2011) found that workers with high-risk avoidance values preferred fixed wages over performance-based incentives and workers who were more collectivist preferred team results-based compensation and seniority-based compensation. Research by Rehu et al. (2005) and Segalla et al. (2006) also showed that workers and managers with different cultural values would have preferences and choices that varied with respect to the level of incentive, the allocation principle, or the basis for the allocation of incentives.

However, according to Hofstede et al. (1990), the above individual cultural values only differed significantly across countries. Members of the same country only show significant differences in the value of security needs, the need for power, and the appreciation of work. Therefore, unlike previous studies, this study investigates individual cultural value differences within a country, Vietnam, using three cultural value variables of Hofstede et al. (1990). In addition, the study provides a supplement to previous research by clarifying whether the incentives are suitable to their cultural values, and how employees will be satisfied. Because their satisfaction will contribute to increased productivity and firm performance, they are interested in managers and scientists. However, there is no study that has answered this specific question. Therefore, this research tries to seek the answer. From the findings of the study, the paper will suggest that managers design an incentive system that is suitable for employees' cultures in order to increase their satisfaction.

The structure of this paper is as follows. Section 2 is about the literature review and hypotheses development. Section 3 is the research methodology including the case study and explanation of the survey study. Section 4 is the results and discussions. Finally, Section 5 is the conclusion that shows the findings, limitations, and suggestions for future research.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

2.1. Culture

Culture refers to the types of beliefs and values, shown in practice, behavior and other things, shared by members of an organization or a country (Longenecker et al., 2003). However, besides this common part, the authors have expressed many very different views. The debate about the concept of culture is a healthy signal, demonstrating the importance of culture but at the same time, it creates difficulties for both scholars and practitioners if the concepts are ambiguous and inconsistent usage. However, the words commonly used in relation to culture emphasize one of its important aspects as 'specific things within groups that are shared or held in common' (Mahoney & Thorn, 2006).

Hofstede's (1984) research paper classified countries based on differences in several values, including risk avoidance, power distance, masculinity/femininity, and individualism or collectivism and it is still widely used in many studies (Chiang & Birtch, 2007). This author then introduced the fifth national culture variable, which is a long-term orientation or short-term orientation (Hofstede & Soeters, 2002). These cultural variables have been used in many studies, including studies on the influence of culture on the compensation system in general and the incentive system in particular. However, these values differ significantly among countries. Members of the same country differ only in their values of security needs (or risk aversion), need for power (closer to the power distance variable) and job esteem (Hofstede et al., 1990). Risk avoidance can be identified when members of a culture feel threatened, and try to avoid situations that are unknown or unclear. People with high scores in this variable have a need for predictability (Goktan & Saatçioğlu, 2011). Power distance is "a measure of power or mutual influence between superiors and subordinates as perceived by subordinates" (Goktan & Saatçioğlu, 2011, p. 174). It can be defined as the extent to which less powerful members of an organization within a country expect and accept that power is not distributed equitably (Chiang & Birtch, 2007). According to Hofstede (1984), the long-term orientation variable reflects the presence of future-oriented values, such as frugality, patience, respect for tradition, and fulfillment of social responsibilities (Hofstede & Soeters, 2002).

2.2. Incentive systems

Many compensation researchers have agreed that employee compensation packages often include salaries, benefits and bonuses, and stock options (Mahoney & Thorn, 2006). According to these authors, salaries are a fixed part of compensation. Types of benefits include medical care, retirement or other benefits. Incentives including bonuses and stock options, are an important tool for motivating employees to achieve organizational goals. Compensation plans consist of two parts: short-term incentive plans and long-term incentive plans (Anthony & Govindarajan, 2003). Short-term incentive plans based on the current year's results. Long-term plans, on the other hand, attach incentives to long-

term firm performances and are related to the company's common stock price. An employee can be rewarded under both plans. The incentive in the short-term plan is usually paid in cash, and the incentive in the long-term plan is usually the right to buy the company's common stocks. The incentive system refers to the mechanisms and methods by which incentives are determined and implemented. Incentives can be determined based on group results or individual results. The distribution of incentives can be done on an equity or parity basis. With the principle of parity, the incentive is divided equally among all members. In contrast, in the principle of equity, incentives depend only on the results of each member.

2.3. Relationship between culture, incentive system, and job satisfaction

Researching job satisfaction is important to businesses. One of the main reasons is that job satisfaction is closely related to work performance. People who are satisfied with their jobs tend to get their jobs done better. The work results directly affect the results and subsequently the stability of the business. Amanor and Demirel (2023) found that five dimensions of Hofstede's national culture, including indulgence-restraint, individualism-collectivism, uncertainty avoidance, masculinity-femininity, and power distance influenced job satisfaction. Sabrina and Linda (2024) and Ho Dai (2024) found that organizational culture can directly affect the job satisfaction of employees. Raime et al. (2018) revealed that three variables: incentive compensation, teamwork and employee participation had an impact on job satisfaction. Khairunnisa et al. (2020) also confirmed that financial and non-financial incentives had a relationship with the job satisfaction of workers in South Sulawesi province, Indonesia. In agreement with the above authors, Arokiasamy and Penglok (2014) also concluded that there was a positive relationship between compensation, promotion and benefits and with job satisfaction of lecturers in some universities. Willis et al. (2018) also argued that both the design and implementation of incentives were important in promoting faculty satisfaction in terms of compensation, motivation and engagement. Besides, Berber and Gašić (2024) conducted a study on the relationship between the compensation system and one type of dissatisfaction which is turnover intentions. They found that employee commitment mediated this relationship. In addition, Oah et al. (2019) further investigated the impact of the incentive distribution on performance and satisfaction in small groups. Three incentive plans are compared: individual incentives, evenly split group incentives, and differentially split team incentives. The research results showed that the results of working in groups with differentially distributed incentives were higher than the results of working in groups with equally divided incentives and individual incentives. However, the team with equally distributed incentives and the individual incentives yielded the same results. The highest satisfaction was with individual incentives.

Supporting these findings, Chen (2020) showed that worker satisfaction acted as a mediator between incentive compensation and commercial bank performance. Incentives could improve the performance of commercial banks by improving

employee satisfaction. In addition, Fong and Shaffer (2003) confirmed that satisfaction with group incentive plans was found to be a differential dimension in compensation satisfaction, while process fairness and performance-based pay were found to be decisive factors. Comparisons of different cultures were made using data collected from employees of a multinational company in the United States (US) and Hong Kong. These two authors found that national cultures had direct and moderate effects on income satisfaction. In addition, Gu et al. (2022) clarified the moderation role of national culture on the relationship between job characteristics and job satisfaction.

Furthermore, because culture encompasses people's values, beliefs, and social interactions, incentives are one of the management practices that can be most strongly influenced by cultural differences among countries (Jansen et al., 2009). These authors explained that several aspects of national culture, particularly those between the US and the Netherlands were responsible for differences in the use of incentives in firms in the two countries. For example, according to Hofstede and Soeters (2002), the US and most other Western countries score relatively low on the long-term oriented cultural variable. However, the Dutch score is much higher. Jansen et al. (2009) found that this cultural variable also had a direct impact on the use of incentive systems. In the country with high scores in the long-term orientation, businesses preferred to use stably fixed income over rewards. Segalla et al. (2006) found that the long-term orientation of the sales force had an influence on incentive compensation preference. Specifically, managers who emphasized the long-term orientation of the sales force were less likely to choose incentive plans than fixed compensation plans. In addition, the long-term or short-term orientation of managers would affect the choice of incentive allocation principles. According to these authors, managers who prefer the long-term approach tend to prefer fixed compensation, typically done with fixed wages, because it allows managers to control behavior better. Therefore, managers who value the long-term orientation of the sales force tend to be less inclined to choose the principle of equity in the allocation of incentives than the principle of equity. Goktan and Saatçioğlu (2011) examined the relationship between risk-avoiding value and preference for fixed wages and asserted that in societies with high standards of risk avoidance, individuals preferred fixed compensation. Furthermore, there was also evidence that under higher-risk conditions, organizations used a larger proportion of variable compensation (Nazir et al., 2012). Goktan and Saatçioğlu (2011) also found a positive relationship between risk aversion values and seniority-based pay preference. Segalla et al. (2006) examined the influence of risk-avoiding cultural values on incentive compensation preferences in six European countries and found that managers who belonged to risk-avoiding cultures tended to prefer compensation plans reducing uncertainty and, therefore, choosing fixed compensation plans.

2.4. Power distance

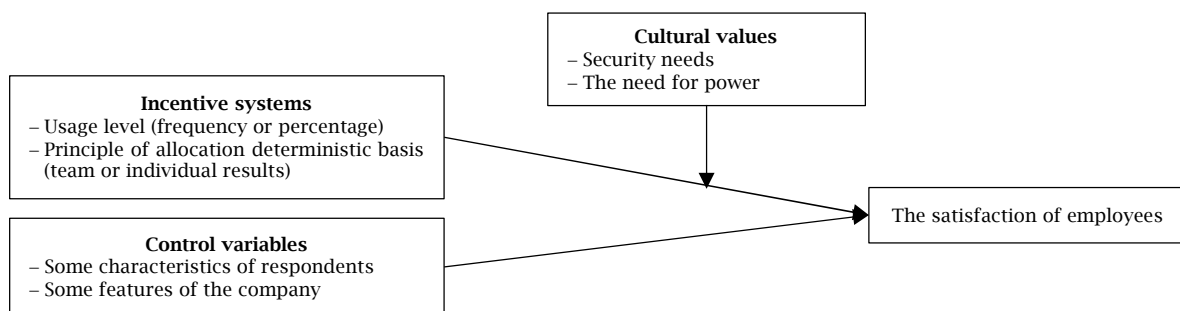
Goktan and Saatçioğlu (2011) were also interested in another cultural variable, power distance, in relation to salary preference based on seniority and found

that there was a positive relationship between values associated with high power distance and preference for wages based on seniority.

In Vietnam, there have been many studies on the influence of salary and bonus policies on employee satisfaction. For example, Pham and Tran (2019) found that there were four factors affecting the job satisfaction of employees at enterprises in Suoi Dau Industrial Park, in which, salaries and bonuses were the most influential factors. Two authors Vu and Nguyen (2018) also found that there were six factors affecting job satisfaction, in decreasing order of magnitude, including: 1) payment and welfare, 2) training and promotion, 3) working stress, 4) working conditions, 5) nature of work, and 6) the support from superiors. In addition, Phan (2018) found five factors positively affecting employee satisfaction including salary policies

in addition to other factors such as working relationships with colleagues and leaders, the nature of the work, benefits, rewards, recognition, and business management, opportunities for advancement and career development. Obviously, studies on the relationship between culture and incentives have only focused on clarifying how cultural values affect the preference for different incentive practices and have not shown how incentives are not awarded in line with their cultural values, or how it affects employee satisfaction. Meanwhile, there are many studies on the influence of the incentive system on employee satisfaction, but have not considered the influence of employees' cultural values on this relationship. So, this is the gap that this research will seek to answer. The following is the theoretical model based on the literature review.

Figure 1. Research model proposed



Cheng and Kao (2022) confirmed a significant negative relationship between the perceived threat (COVID-19) and job satisfaction. Employees with high-security needs often felt threatened with even the small changes. As a result, they are likely less satisfied with changes while change is an important feature of today's business environment (Buntak et al., 2017). Therefore, the security need has a significantly negative relationship with job satisfaction. Boamah et al. (2023) also confirmed that employee tenure security impacted negatively on firm performance.

Equity (distributing to each person according to contribution) and equality or parity (dividing on average) are the two main principles of allocation. When equity is pursued, incentives are distributed differently according to results and contributions. Equity standards are generally favored for results-based pay. When rewards are distributed on average, regardless of individual contributions, equalization is the norm (Goktan & Saatçioğlu, 2011). According to these authors, risk-averse people preferred the parity principle and they preferred fixed compensation. Therefore, the first hypothesis is as follows:

H1: If employees have a higher security need, the enterprise applies the principle of equity in the allocation of incentives, and their satisfaction is more likely to decrease sharply.

The results-based incentive system considers how well employees perform while the skills-based incentive system emphasizes the skills they use on the job. Results-based systems reward employees according to their performance and contribution to organizational success. If employees achieve the outcome goals, they receive a corresponding reward. This visible relationship between compensation and outcomes serves as a powerful motivator. In addition, team-based compensation systems measure the performance of the group and reward individuals based on how well the team has

performed. In group-based compensation systems, standards of equality dominate, and individuals are rewarded based on the group achievement rather than their individual performance. Group-based pay systems are appropriate when there is an emphasis on results produced through group coordination and when collaborative work efforts are required. On the other hand, in individual-based pay systems, individuals are rewarded for their own personal results, and there is a direct relationship between individual efforts and outcomes (Barner-Rasmussen et al., 2009). In this system, performance and rewards are tied to individual contributions. Merit-based compensation is expected to attract risk-loving individuals who are entrepreneurial and innovative (Barner-Rasmussen et al., 2009). Entrepreneurial individuals look for opportunities and look for possibilities. The potential for greater results in merit-based systems is expected to be more attractive to them. However, this system may not appeal to risk-averse individuals. The more individual performance-based incentives, the higher the job satisfaction, but the cultural value of security needs affects this relationship. The second hypothesis is as follows:

H2: Employees with a higher security need are likely less satisfied when incentives are based on individual results.

The results of previous studies showed that collective culture had a positive relationship with group performance-based compensation and individual culture had a positive relationship with individual outcome-based compensation (Goktan & Saatçioğlu, 2011). Furthermore, Bento and Ferreira (1992) found that in organizations where individualism was stronger, compensation based on individual performance was more common. In contrast, in more collectivist organizations, incentives based on

team results were used more. Meanwhile, salary satisfaction had a great influence on job satisfaction (Nguyen & Nguyen, 2004). Because base preference determines incentives based on personal value, if the incentive systems adopted in employees' units are consistent with their cultural values, they will be more satisfied. Moreover, the incentive percentage is higher, many employees are more satisfied. But larger incentives are often associated with higher risk-taking, therefore, the next hypotheses are:

H3: Employees with the cultural value of higher security need are likely to have lower satisfaction when the incentive percentage is higher.

H4: Employees with the cultural value of higher security need are likely to have lower satisfaction when the incentive frequency is higher.

In a seniority-based compensation structure, benefits accrue according to loyalty and stability. Under a seniority-based compensation system, an individual's compensation is determined based on length of service and continues to increase with annual increments given automatically for each year of service. Seniority-based compensation rewards firm loyalty and experience within the firm. Loyalty is important to the organization because it enhances stability and reduces uncertainty. Similarly, experience adds value to the firm (Chiang & Birtch, 2007), therefore, the fifth hypothesis is:

H5: Employees with a higher power need are more likely satisfied when incentives are based on seniority.

For the job esteem variable according to Hofstede et al. (1990), the results of previous studies did not show any clear relationship between this variable and different aspects of the incentive system in businesses. Therefore, this study does not investigate this value.

3. RESEARCH METHODOLOGY

3.1. Research methods

The study combines both qualitative and quantitative research methods. Accordingly, in the qualitative research phase, the study used the case study method at an enterprise and found that a number of people with different cultural values and incentives have different job satisfactions. Then in-depth interviews were conducted to clarify whether their different cultural values led to different levels of satisfaction of the incentive systems. Because the qualitative research results supported the hypotheses made based on the literature review, the quantitative research method was conducted to investigate a larger sample size to test the hypotheses.

3.2. Data

In addition to the information and data obtained from the qualitative research, the study also uses data collected from surveys through the use of questionnaires. The research sample was selected from enterprises of all economic sectors in Hanoi and neighboring provinces. After doing the survey using questionnaires, the study conducted data analysis and examined the influence of culture on the relationship between different aspects of the incentive system such as the level of incentive use, the selection of principles and bases for incentive allocation and the satisfaction of employees in Vietnamese enterprises. The sample size was

150 enterprises. For each enterprise, the authors sent two questionnaires to two people, one of them works in the sales department and the other works in other departments. The reason for the choice to send two questionnaires for each enterprise is because of the qualitative study results that the incentive systems in the sales departments and other departments in many Vietnamese enterprises have significant differences. The questionnaires were sent directly or through a person from the same company who received them. This person continued sending to the other person who the researcher wanted to investigate in the enterprise. If they work in the sales department, they send to a qualified person in another department to fill out the questionnaire and vice versa.

The 150 enterprises were selected according to the criteria to ensure the level of representation. Specifically, in terms of scale, the research investigated large-scale, medium-sized and small-scale enterprises. The study selected businesses from all legal forms and industry factors were also taken into account. The sample included manufacturing enterprises, commerce and service businesses. The research was predicted to collect 300 answer sheets. However, in reality, only 230 answer sheets were collected. After eliminating answer sheets that lacked important information, 216 of them were used for analysis because they were filled quite sufficiently, so suitable for data analysis.

The measures of the individual cultural value variable were borrowed from the study of Hofstede et al. (1990), specifically 28 questions assessing the personal cultural value of the respondents. Respondents' value measures use a 5-point Likert scale with 1 being strongly disagree to 5 being strongly agree. These 28 items measure the need for security, power and the job esteem of the respondents. In addition, the measures of the satisfaction of employees were borrowed from the study of Pothukuchi et al. (2002). The measures of the principle of equity or parity allocation were based on the study of Segalla et al. (2006). The measures of compensation based on group or individual results were developed from the study of Goktan and Saatçioğlu (2011) and the measures of incentive usage are based on research by Mahoney and Thorn (2006). Statistical Package for the Social Sciences (SPSS) software was used to analyze data. Three-step regression analysis technique was used to clarify whether culture plays a role in moderating the relationship between incentive systems and the satisfaction of employees.

4. RESEARCH RESULTS AND DISCUSSION

4.1. Reliability of the scale

For personal values, 28 questions were designed to measure two dimensions of cultural values, including the security need and the power need. However, the result of factor analysis showed that the questions did not load as expected. In the first factor, five out of 14 items asking about the security needs were loaded. The reliability of the scale with Cronbach's $\alpha = 0.73$. The results of the statistical analysis of item to total showed that if the question "Most people are not trustworthy" was removed, Cronbach's α would reach 0.75, meaning the reliability increases. Therefore, the authors decided to keep the name of this factor as the cultural

value “*security needs*” and used only four items to measure this variable: “Serving the country is not important”, “The opportunities for promotion don’t matter”, “Training opportunities don’t matter”, and “Being guided by superiors doesn’t matter”.

The higher the scores on these items, the greater the need for security. The theoretically incorrect factor analysis results can be explained as Hofstede et al. (1990) also emphasized that their scales were based on 20 organizational units in the Netherlands and Denmark, so they may not represent other countries.

4.2. Regression analysis results

To test the hypotheses, it should be noted that the incentive usage level variable is measured by incentive frequency, which is the number of incentives in a year, or the incentive percentage, which is calculated as the incentives to total compensation ratio. To test the hypotheses, a three-step regression was used. Firstly, 11 control variables were included, and then *security need* and *equity allocation rule* or *individual incentive* or *incentive percentage* or *incentive frequency* variables were included. Finally, in step 3, the interactive variable was entered. The results of the regression analysis were as follows (see Table 1). The full Model 2 means the three-step regression was implemented.

• *H1*: In full Model 2, both *security needs* (-0.682, $p < 0.01$) and interactive (*Security needs* * *Equity allocation rule*; 0.562, $p < 0.05$) variables have

significant relationships with the satisfaction. This means that the cultural value of *security needs* moderated the relationship between *equity allocation rule* and employee *satisfaction*. This is consistent with hypothesis *H1*.

• *H2*: In full Model 2, both *individual incentive* (0.554, $p < 0.01$) and interactive (*Security needs* * *Individual incentive*; -0.476, $p < 0.1$) variables have significant relationships with the satisfaction. This means that the cultural value of *security needs* moderated the relationship between *individual incentives* and employee *satisfaction*. This is consistent with hypothesis *H2*.

• *H3*: In full Model 2, both *security needs* (-0.212, $p < 0.1$) and interactive (*Security needs* * *Incentive percentage*; -0.628, $p < 0.1$) variables have significant relationships with the satisfaction. This means that the cultural value of *security needs* moderated the relationship between the *incentive percentage* and employee *satisfaction*. This is consistent with hypothesis *H3*.

• *H4*: In full Model 2, the interactive variable, computed as the *security needs* variable multiplied by the *incentive frequency*, had a negative relationship with satisfaction (-0.438, $p < 0.1$). This means that the cultural value of *security needs* moderated the relationship between *incentive frequency* and employee *satisfaction*. This is consistent with hypothesis *H4*.

• Hypothesis *H5* was not tested because the result of scale reliability analysis to the cultural value of power need dimension was too low.

Table 1. Summary of regression analysis results

Variables	Satisfaction (Full Model 2)			
	H1	H2	H3	H4
Control variables				
Job title	0.005	-0.023	0.080	-0.059
Age	-0.068	0.015	-0.056	0.023
Sex	-0.047	-0.007	-0.034	-0.001
Number of years working for current company	0.207*	0.136	0.180	0.107
Education level	-0.051	-0.050	0.041	0.082
Working units	-0.037	-0.019	-0.223*	-0.060
Main business sector	0.049	0.060	0.023	0.053
Legal form	-0.093	-0.060	-0.209*	-0.121
Company size	-0.064	-0.110	-0.128	-0.091
Company age	0.130	0.100	0.083	0.048
Ownership	-0.021	-0.026	0.010	0.027
Independent variables				
<i>H1</i>				
Security needs	-0.682**			
Equity allocation rule	-0.174			
Security needs * Equity allocation rule	0.562*			
<i>H2</i>				
Security needs		-0.013		
Individual incentive		0.554**		
Security needs * Individual incentive		-0.476*		
<i>H3</i>				
Security needs			-0.212*	
Incentive percentage			0.409	
Security needs * Incentive percentage			-0.628*	
<i>H4</i>				
Security needs				-0.206
Incentive frequency				0.386
Security needs * Incentive frequency				-0.438*
F	2.963***	3.991***	2.051*	2.722**
Adjusted R ²	0.139	0.202	0.121	0.145
Observations	171	166	108	143

Note: Standardized coefficients are shown. Significance levels: + $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, and *** $p < 0.001$.

5. CONCLUSION

Unlike many previous studies on the relationship between culture and compensation that have studied

the compensation preferences of individuals or the compensation system in different organizations in different countries, this study investigated differences in cultural values of employees, incentive

systems and satisfaction in businesses within one country, Vietnam. Previous studies often investigated the impact of culture on compensation in different countries because most researchers agree that culture at both the national and organizational levels refers to values, and beliefs that differ only significantly among countries. The results of this research show that employees in Vietnam show significant differences in the cultural value of "security need". This helps to reinforce the view of some previous researchers to negate homogeneity within a culture (Chiang & Birtch, 2007).

With the findings found in this paper, the study has made valuable contributions in both theory and practice. Theoretically, the paper has explored the unanswered questions in the research on the relationship between culture, incentive system and satisfaction of employees. In practice, based on specifying the impact of cultural values on the relationship between the incentive compensation system and the satisfaction of employees, the paper will help managers gain more understanding to design and implement incentive plans better, thereby increasing the satisfaction of employees, and contributing to improving the firm performance.

This study has some limitations. Firstly, most of the measures are borrowed from previous studies, so when applied in the Vietnamese context, certain differences have been revealed. Specifically, for cultural value variables, only the measure of the security need variable is reliable enough. Even with this sufficiently reliable measure, the items did

not "load" as expected. A second limitation of this study is that it uses several measures of one indicator, or only one question to investigate some aspects of the incentive system. Although this is common in compensation studies (Barner-Rasmussen et al., 2009; Chiang & Birtch, 2007), their reliability may be of concern. The third limitation concerns the study sample. The research wanted to investigate more Vietnamese enterprises. However, due to resource limitations, the research sample is only taken from enterprises in Hanoi and neighboring provinces. Therefore, this is also a limitation of the research, although many previous studies on the relationship between culture and compensation performed by other authors also share the same limitations (Li & Roloff, 2007; Bento & Ferreira, 1992; Goktan & Saatçioğlu, 2011; Papamarcos et al., 2007).

In addition, the paper has only focused on the study of bonuses, which is only a part of the compensation that employees receive. Many studies have investigated the relationship between culture and compensation, but from the perspective of national culture. Future studies can investigate the influence of organizational cultures on compensation in general, including salary, incentives and other benefits. Particularly, future research can explore how organizational cultures affect the selection of components of the compensation package. For example, in organizations with what kind of culture, salary will be used more than bonuses or benefits are also considered more important.

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APPENDIX. QUESTIONNAIRE

Dear Sir/Madam,

You are cordially invited to participate in a study on the impact of culture on the relationship between the incentive system and the satisfaction of employees in Vietnamese enterprises. This study was carried out by a group of researchers from the National Economics University.

Your name and company name will be kept confidential and not disclosed in any documents. Your answers will be only used for research and data analysis.

We sincerely thank you!

This questionnaire consists of three parts as follows:

- Part 1: The incentive system is applied in your department or division;
- Part 2: Your cultural values;
- Part 3: Personal information.

Part 1. The incentive system is applied in your department

1. Please indicate your level of agreement with the opinions by marking (✓) in the appropriate checkbox or filling in the blanks. 1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly agree.

<i>Statement</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Bonuses are awarded more or less depending on the results of each individual in the department.					
The bonus is divided equally among all members of the department.					
The reward will be given to each individual who completes the assigned task.					
Bonuses will be awarded when the department reaches its goals and objectives.					
Bonuses will be awarded when the company reaches its goals and objectives.					
I am satisfied with my current job in the department.					
I am satisfied with the management applied to my department.					

2. The fixed compensation I receive each month: _____ (VND).

3. Each month, in addition to the fixed compensation, I also receive variable pay from the company, including:

Pay as % of revenue:

- No
- Yes, please specify the monthly average rate: _____ (VND)

Other amounts:

- No
- Yes, please specify: _____ (VND)

4. During the New Year holidays, I was:

- Not rewarded
- Received a bonus, please specify the occasions to be rewarded and the corresponding reward:
 - On January 1, specific bonus: _____ (VND)
 - Lunar New Year, specific bonus: _____ (VND)
 - April 30-May 1, specific bonus: _____ (VND)
 - Hung Kings' death anniversary, specific reward: _____ (VND)
 - September 2, specific bonus: _____ (VND)
 - Other occasions such as 8/3, 20/10, 22/12, etc., if any, please specify: _____ (VND)

5. With discretionary bonuses because the performance is outstanding or you have had good initiatives or there are important events:

- I was not rewarded
- I was rewarded, please specify: _____ (VND)

6. With the bonus based on the year's performance

- I was not rewarded
- I was rewarded, please specify: _____ (VND)

Part 2. Your cultural values

Please mark (✓) in the appropriate checkbox: 1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly agree.

Statement	1	2	3	4	5
In my opinion, people don't like working.					
For me, change and discoveries at work are not important.					
To me, benefits like health care, retirement... are important.					
I think the main reason for having a hierarchical structure is to specify who has the power.					
When my profession requires me, my family needs to make sacrifices.					
For me, having less stress and pressure at work is important.					
I won't continue working if I don't need the money.					
In my opinion, people who are successful in life need to help unsuccessful ones.					
I believe that the pursuit of self-interest will not make the best contribution to society.					
If I fail in life, it's not my fault.					
Doing a job I enjoy is not as important as having a stable career.					
It doesn't matter to me if I live in a place that I want or not.					
I'm afraid of disagreeing with my superiors.					
In my opinion, most people are not trustworthy.					
It is possible that governance power can be shaken.					
In my opinion, working in a well-defined job position is important.					
For me, serving the country is not important.					
Opportunities for advancement are not important to me.					
I see opportunities for training as unimportant.					
It doesn't matter if I get guidance from my boss or not.					
Most organizations would be happier without conflict.					
I see my boss as an autocrat, a patriarch.					
In my department, it is not expected that the power of governance can be shaken.					
I believe that it is necessary to motivate children to be number 1 in the class.					
Employees who perform their duties quietly are the assets of my business.					
I believe parents will not be satisfied when their children become independent.					
In my opinion, working for only one employer is the best way to make a career.					
I believe that conflicts between opposites are best resolved by agreement.					

Part 3. Personal information

Please mark (✓) in the appropriate checkbox or fill in the blank. This information will be only used for data analysis purposes and will be kept confidential.

1. Demographic information:

Your position: _____
 Age: _____
 Gender: _____
 Number of years working for the company: _____
 Education level: _____

2. The department or division you work in:

- The sales department
- Other departments, please specify: _____

3. Main business lines of the company: _____

4. Legal form:

- Limited Liability Company
- Joint Stock Company
- Sole proprietorship
- Partnerships

5. Company size:

- Under 10 employees
- From 10 to less than 200 employees
- From 200 to less than 300 employees
- From 300 employees or more

6. Number of years of operation:

- Under 5 years
- From 5 to less than 10 years
- From 10 to less than 15 years
- From 15 years or more

7. Capital characteristics of the enterprise:

- Enterprise with foreign capital
- State-owned enterprises
- Enterprises using domestic private capital