

**2018** EMPLOYEE CONCERNS SURVEY

Understanding Why
Employees Move Jobs



- Understanding motivating factors in employees seeking to change jobs
- Discovering the motivating factors that keep employees content
- Identifying expectations of incremental increases in salary

# Message from our Managing Director

Here at RGF Executive Search Vietnam we are constantly striving to maintain the high standards upon which our global reputation has been built. Never standing still, we continue to look at ways of improving the service that we bring to our valued clients and customers. Our 2018 survey of professional people is designed to provide the most up-to-date information on what keeps people happy in the current occupation, what drives them to look for better and how we can best facilitate things.

The survey covered Vietnam as a whole with separate attention paid to Hanoi and Vietnam. Having over 550 responses, it provides an interesting look into motivational factors within Vietnam's ever-increasing skilled workforce. By far the largest number of respondents was from Ho Chi Minh City. The southern powerhouse is fast becoming one of the most sought after locations for people searching for work within Southeast Asia. Predictions indicate that this upturn will continue; the future looks very bright for the country as a whole and Ho Chi Minh City in particular.

Concentrating on Vietnamese nationals, almost 60% of the respondents were in the 33 to 48 age group, which is a highly sought-after age group among recruiters. Most common occupations among the respondents were IT and Telecommunications, Manufacturing and Engineering, and Banking and Financial. Though in all, respondents worked in 13 different areas of employment.

Working together we can build a better working environment and develop Vietnam's fast growing skilled workforce.

Ton Whitehead

Managing Director - RGF Executive Search Vietnam

When is a pay rise seen as worth moving jobs?







think 25% - 30% as worthwhile



expect a 30% increase or above

Unsurprisingly, salary increase was cited as the biggest single factor among respondents' reasons for moving jobs. A huge 75% of people think that this is the main reason for looking for a new position. This is of course to be expected in an economy that is growing at such a rate. There is a great expectation and drive to better oneself in Vietnam.

# How important are retention bonus?

**53**% AGREE

18% STRONGLY AGREE

retention bonuses are important in helping employees remain in their current employment retention bonuses are important in helping employees remain in their current employment

According to Forbes', the payment of retention bonuses has been steadily on the increase over the last 20 years. Whilst formerly the preserve of only the very senior management, they are now widely used across all areas of staff. Of course, these plans have to be linked to performance. One cannot reward poor performance. When building a retention bonus plan the main ingredient needs to be transparency. Your employees need to know how the company is performing and how that performance will profit them.

Keep it objective; it cannot be one person's point of view, but a genuine look at company performance. Remember that large companies are really just collections of smaller businesses, with each department having its own local economics. People will soon see that the performance of their department has an incremental effect upon the business as a whole



https://www.forbes.com/sites/fotschcase/2015/08/24/incentive-plans-that-actually-work/#74c614f761e6

# Reasons for Switching Jobs





Promotion opportunities and Career Paths



A change to a better company culture



Increased Challenges

Of course salary is not the only reason to motivate a person to look further afield. The changes to our working environment are happening all over the world. The American Psychological Association's Center for Organizational Excellence, discovered that almost 50% of U.S. workers are concerned about how their jobs are changing. These changes are of universal interest. This uncertainty is bad for morale, which in turn is bad for productivity.

It is imperative that your company builds trust with employees. They need to know that if they stay with you, they will get career opportunities and develop both professionally and personally.

# Apply foresight, be aware of hindsight and develop insight. This is easier than it sounds.



## Foresight

Where is your industry going? What's happening regarding the global bigger picture? Get an idea in advance of your employees' needs and how they can fit in with your aims.



## Insight

Look at your employee's background and accomplishments. Build a picture of the type of person they are. Where does your employee's skill set and interests intersect with where you wish your company and industry to go? This will help to understand what they are looking for in their careers.



## Hindsight

It is easy to look back on unexpected issues that arise and make decisions about them. However, if you haven't seen something coming, it is fair to expect that your employees haven't either.



# Increasing Engagement at Work



**66**% BELIEVE

CAREER PROGRESSION OPPORTUNITIES will help increase engagement at work **38**% SEE

FAIR PAY STRUCTURES and a sense of being recognized, positively

The establishment and development of a company-wide career path program has been proven to recruit, retain and develop top talent within business. Use career paths as tools for developing staff. Keep your staff up-to-date with expectations and necessary skill sets to develop within your organization. Always organize and motivate everyone within your company to create opportunities for talented individuals. Teach managers and employees on how the program works, in order to add value to your business.

Your salary structure not only needs to be fair, it needs to be seen to be fair.

Transparency is so important. It is imperative that both internal and external salary comparisons reflect positively on your company. The quickest way to lose talented individuals is to make them feel as though they are undervalued in comparison to colleagues within your company and rivals outside of it.

# The importance of Organizational Politics





AGREE that organizational politics affects the employee retention



STRONGLY AGREE that organizational politics affects the employee retention



AGREE TO STRONGLY AGREE that having conflict with immediate supervisor will have a direct effect on their decision to change jobs Maintaining a healthy work environment is crucial for every business regardless of size. Being socially connected and developing office harmony also impact on employee decisions, when considering changing jobs. Two thirds of people believe this creates the conditions to leave their current employment.



It is important that you develop trust with your employees. Remember that trust is reciprocal. If conflict arises, create an open dialogue with all parties, speak, listen and repeat. Ensure that all sides feel fairly treated. Everyone makes mistakes; it is what makes us human. Be prepared to admit your own, and fix it. If you spoke out of line in a meeting, admit it and apologize in front of all who witnessed it. Ensure that you do all you can to close the gap between expectations and reality. Company leaders, can sometimes create these gaps more than anyone else on the team.

Own the problem - fix the problem



# Work-Life Balance



feel that flexible working hours and work-life imbalance have direct effects on their decision to change jobs



feel more engaged if the work they do is meaningful



want to change jobs if they think their work is not







# Too strict working hours are bad for business, simply because they are bad for employees

It is imperative that as business leaders, we acknowledge people's social and family lives. When building a business, the individual passion that drives us can sometimes blind us to the fact that not all our staff members share that same passion. Of course, they are committed to your company's success, but a real balance between work and family commitments is both necessary and understandable. If they feel that the job they are doing is not meaningful, then the balance between work and life shifts negatively. This is even more important for employees with young families.

Flexible working has become increasingly popular in recent years. All the evidence points to improved productivity within companies that employ these practices. It should come as no surprise that employees today want flexible hours. Surprisingly, few employers offer flexible work schedules. In America, increasingly, this

is seen as one of the most important positives. According to the United States Bureau of Labor Statistics, in excess of 20 million Americans now actively choose part-time work. These concerns are the same in all countries, particularly among women where traditional roles are changing. In relationships with children, flexible working hours can make a huge difference.

In simple terms, too strict working hours are bad for business, simply because they are bad for employees. If it is at all possible for your company to allow flexible working hours, this should be encouraged. Research has shown that inflexibility can be hazardous to their health. Stress creates the conditions for insomnia and spending more than 20 hours awake has the same impact on our bodies as consuming five or six alcoholic drinks. Ironically it is also cited as a major factor in alcoholism.

Other factors in deciding to Change Jobs





## Work stress

is not the main reason for people changing jobs.

# % BELIEVE THAT AUTONOMY

helps increase their engagement at work

Even though stress and autonomy at work are not main negative factors, they should not and cannot be ignored. The impact on those affected can be very severe indeed. We as managers can simply not undermine the effects that these factors have on employee health, engagement and productivity. Research by Stanford University and the Harvard Business School claims that stress contributes to at least 120,000 deaths per year and up to \$190 billion in healthcare costs\*. Stress is responsible for between 75% and 90% of all doctors' office visits.

This obviously is bad for business and bad for the wellbeing of your staff. It is incumbent upon us all to be watchful of the health of our employees. Reduce stressful situations and conditions and we all reap the rewards.

\* https://compeap.com/killer-work-stress-enough-is-known-for-action/

# Key takeaway points of the Survey







Pay rise

75% of people see a pay rise as the main reason for moving jobs. However, a raise of less than 25% does not appear to be a motivating factor.





#### Retention bonuses

Retention bonuses are very important when it comes to holding on to employees. More than 70% of the respondents agree or strongly agree that this helps. It is critical to ensure that your company retention bonus plan to be transparent.



Promotion opportunities

People will change jobs because of promotion opportunities, a change to a better company culture or increased challenges. It is important for companies to build trust with employees and offer a clear career progression plan for them. Career progression opportunities, in addition, make employees more engaged at work. Two third of respondents believe that career progression opportunities will help increase engagement at work.







Healthy work environment

Work-Life balance



Stress and autonomy



Fair pay structure

Offering a fair pay structure is crucial. 38% think being paid fairly will help increase their engagement at work. When coming up with a pay structure, companies need to ensure that the salary structure is seen to be fair. Again, transparency is key.

Maintaining a healthy work environment is the number one goal every leader needs to achieve. 67% agree or strongly agree that organizational politics affect employee retention. 70% agree or strongly agree that having conflicts with an immediate supervisor will have a direct effect on their decision to change jobs. Likewise, two thirds said being socially connected and developing office harmony also impacts on employee decisions to either remain in or leave their current employment.



A flexible working environment and work-life balance has become increasingly popular in recent years. 50% + feel that flexible working hours and work-life imbalance have direct effects on their decision. to change jobs.

Even though stress and autonomy at work are not main negative factors that make people consider changing jobs, they should not and cannot be ignored. The impact on those affected can be very severe indeed. This obviously is bad for business and bad for the wellbeing of your staff. It is incumbent upon us all to be watchful of the health of our employees. Reduce stressful situations and conditions and we all reap the rewards



# Respondent Profile



Millennials: **1986 - 1998**  Generation X: **1970 - 1985** 

Baby Boomers: **1953 - 1969** 

(20 – 32 years old)

(33 – 48 years old)

(49 – 65 years old)

The people we targeted had at least 3 years' experience working professionally in Vietnam. We contacted people at both multinational and domestic companies in the country. Respondents were from a wide array of business sectors and of the 551 who replied, over 400 based in Ho Chi Minh City.

| Industry                              | Percentage of respondents |
|---------------------------------------|---------------------------|
| Accounting & Finance                  | 4.55%                     |
| Banking & Financial Services          | 8.55%                     |
| Chemical & Agriculture                | 2.91%                     |
| Consumer (Durable / Electronics)      | 1.82%                     |
| FMCG                                  | 6.00%                     |
| Garment & Textile                     | 3.82%                     |
| Healthcare                            | 6.73%                     |
| Human Resources                       | 7.09%                     |
| IT & Telecommunication                | 15.09%                    |
| Machinery & Building Materials        | 3.27%                     |
| Manufacturing & Engineering           | 13.27%                    |
| Others                                | 16.73%                    |
| Retail                                | 5.45%                     |
| Supply Chain, Procurement & Logistics | 4.73%                     |
|                                       | 100%                      |



# Survey Methodology and Disclaimer

The survey was conducted by RGF Executive Search Vietnam using quantitative methodology. The web-based survey platform used was Survey Monkey. The data, tables, charts and graphs are derived from Survey Monkey data analysis reporting. It is also important to recognize that this was not intended to be purely statistically significant. This is not to say that they have no value. In fact, the results will help hiring managers, HR professionals and business leaders have a good idea of motivating factors that make employees want to change jobs and what they can do to make them more engaged at work. The study findings also suggest ideas around leadership, management and salary expectations, which in turn help business leaders make informed decisions when it comes to recruitment

The real survey was advertised to the target groups via LinkedIn Sponsored Update campaigns and a direct mailing method using MailChimp. No personally identifiable results are included in this report. Comfortingly, no one participated more than once and there was no indication of attempts to load the system with bogus responses.



# About RGF Executive Search



### Our specialized fields include:



Consumer (Durables & electronic) Retail and FMCG



Banking and Financial Services



Supply Chain Logistics and Procurement



IT and Telecommunications



Industrial and Manufacturing



Healthcare and Life Sciences



Finance and Accounting



Sales and Marketing



Engineering



Human Resources



Legal

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