

Core Employee Motivation Among Private Small and Medium-Sized Enterprises in Guangdong Province: A Proposed Economic & Non-Economic Incentives Program

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Abstract: In China's current market, private SMEs face intense competition, making knowledge and talent crucial. Attracting and retaining skilled employees is vital for sustainable growth. This study, based on demand incentive theory, explored the impact of economic and non-economic incentives on core employee needs in SMEs. A survey of 100 SMEs in Guangdong Province, the survey was analyzed using SPSS 26.0, revealing that both types of incentives significantly enhanced job satisfaction and motivation, reducing turnover. Economic incentives positively correlated with job satisfaction and enthusiasm, while non-economic incentives also showed a positive link. These findings highlight the importance of strengthening incentive mechanisms for SMEs to attract and retain key talent, informing talent management practices and promoting sustainable development.

Keywords: Core employees, Private small and medium-sized enterprises, Economic incentives, Non-economic incentives, Incentive effects.

1. Introduction

SMEs (small and medium-sized enterprises) in our country are essential to the national economy, to some extent affecting the prosperity and social stability of the region and even the entire country. However, numerous challenges and issues persist in the growth of SMEs. Despite the presence of various obstacles that hinder the growth of SMEs, insufficient funding, talent shortage, inadequate market demand, disorderly competition, and excessive competition are the biggest problems currently faced by SMEs in China (Meng Fanhong, 2024). In fact, the core of all of this lies in people. Employees, as the main body of a company, are the most important factor in its development. Establishing an effective incentive mechanism is the fundamental guarantee for employees to play their role (Cao Yanhua, 2023).

With the rapid development of new technologies and the acceleration of information transmission, the external competitive environment of SMEs has undergone significant changes, facing dual pressures from both domestic and international markets. How to motivate and develop the value of human resources, mobilize the enthusiasm, autonomy, and innovation of business workers in the face of scarce resources has emerged as a pressing issue that must be resolved on the route to growth for Chinese small and medium-sized businesses. (Dai Yingying, 2022). For private SMEs in China, in order to succeed in the current competitive domestic and international environment, it is necessary to strengthen and improve the incentive mechanism for core employees, make good use of core talents, and retain them (Li Jin, Dong Jun, 2021). What is the commonly used core employee incentive mechanism in private SMEs? What are the problems? How to improve and adjust is an urgent task facing private entrepreneurs at present, and it is also a problem worth studying in the academic community (Zhao Zhihong, 2022).

With the continuous promotion and improvement of

China's socialist market economy, private enterprises have formed a strong development trend. Private enterprises have become important cells of the national economy. Focusing on and researching the informatization transformation of private enterprises is an urgent strategic task to promote the formation of competitive advantages and maintain sustainable development of private enterprises (Xiong Yanan, 2022). Currently, private enterprises in China have achieved unprecedented development and their position in the national economy is becoming increasingly important. However, their lifespan is usually not long. Adopting employee incentive mechanisms to enhance the core competitiveness of enterprises has become an inevitable choice for private enterprises today (Chen Lei, 2022).

How to create the best performance for employees has been a daunting challenge faced by managers for a long time. Private enterprises, represented by SMEs, generally suffer from a lack of incentive measures, frequent employee job hopping, and rising management costs. Consequently, managing employees effectively, comprehending their needs, and motivating them have emerged as key priorities for managers in the new economic era (Tian Jiahua, 2023). Faced with fierce competition in the international and domestic markets, private SMEs are imperative. Only by continuously improving their competitiveness can they truly achieve the business goal of improving the overall value of the enterprise and meet the challenges of the times. Survival of the fittest and survival of the fittest are the laws of nature. Therefore, it is crucial for private enterprises to utilize employee incentive mechanisms and maximize their effectiveness, even related to the development direction and prospects of the enterprise.

This research is predicated on the theory that demand incentives, starting from the perspective of incentive mechanisms that meet the needs of core employees, analyzing the actual incentive effects of economic and non-economic incentive mechanisms for core employees in China's private SMEs, and exploring new models of core employee

incentives in China's private SMEs (Guo Bin, 2021).

2. Methods

2.1. Research Design

This study divides the incentive mechanisms for core employees into economic incentive mechanisms and non-economic incentive mechanisms. The economic incentive mechanism mainly includes salary or compensation, allowances, bonuses, retirement and fringe benefits. Non-economic incentive mechanisms include employee engagement, learning opportunities for growth, sense of pride and accomplishment. Here, the main body of the incentive mechanism is private SMEs, and the target is the core employees of the enterprise. Private SMEs adopt different combinations of incentive mechanisms for core employees based on the duration of their corporate goals (such as immediate, intermediate, and long-term objectives) and the difficulty of achieving them (Zou Xu, 2019). Core employees exchange their intelligence and innovative talents for personal economic benefits and non-economic satisfaction. Core employees have different incentive needs due to their career positioning, career maturity, values, and other factors (Wang Lijun, 2020). The goal of incentive mechanism is to motivate core employees to achieve maximum corporate benefits while pursuing personal utility.

This study combined the implementation of incentive mechanisms for core employees in Chinese private SMEs, and analyzed and organizes various factors that affect the incentive effect of core employees in Chinese private SMEs (Li Bing, 2023). By analyzing various factors that motivate core employees in private SMEs, a economic & non-economic incentives model for core employees in private SMEs was constructed, and relevant theoretical explanations were proposed. In terms of quantitative research, this study combined the theoretical explanation of the economic & non-economic incentives model for core employees in private SMEs, constructed a conceptual model of the "core employee economic & non-economic incentives in private SMEs", introduces the study of economic & non-economic incentives effects, and incorporates the influencing factors of economic & non-economic incentives effects (age, gender, work experience) as control variables into the same conceptual model.

To guarantee the validity and dependability of the study variables, the design of the research scale fully referred to previous research results and listened to the suggestions of relevant experts and research company personnel (Hu Jianfeng, 2019). Data analysis was conducted on first-hand information obtained through questionnaire surveys. In conducting data analysis, the quality of sample data from descriptive analysis was first evaluated for reliability, and other aspects; then, T-test, ANOVA analysis and other analysis methods were used to test the theoretical framework and corresponding hypotheses of this study.

2.2. Data Management

This study designed and repeatedly revised the survey questionnaire through in-depth research on private small and medium-sized enterprises, questionnaire distribution to core employees, academic team discussions, and predictive testing of the survey questionnaire, thus forming the final survey questionnaire of this study.

This study collected data by distributing survey

questionnaires to enterprises. Collecting questionnaire data is the primary method of obtaining the required data for empirical research which directly determines the reliability and validity of the study data, and thus determines whether the research results are scientific (Zhao Enxiang, 2022). In the selection of survey subjects, it is considered that the information required for the questionnaire can only be provided by core technical, core sales and management personnel at or above the middle and senior levels of the enterprise. Therefore, the distribution of the questionnaire took into account these factors as much as possible, mainly conducting a survey on these types of personnel. Three methods were utilized in distributing and retrieving questionnaires, including mailing, email, and on-site distribution of training programs for middle and senior management personnel.

2.3. Sampling Designs

2.3.1. Sample Population

This study involved the distribution of 500 questionnaires in total. From the perspective of the regions where the enterprises operate, the sample was distributed across 10 cities in Guangdong, ensuring a broad geographic coverage and strong randomness. The 10 cities selected in Guangdong Province include Shenzhen, Guangzhou, Dongguan, Foshan, and six other cities. In each city the researcher selected 10 representative private SMEs, and from each enterprise five respondents were chosen, resulting in 50 respondents per city. Shenzhen, Guangzhou, Dongguan, and Foshan are economically developed areas, while the other six cities are underdeveloped areas. The following data analyzed the differences in the incentive effects of core employees in private SMEs between economically developed and underdeveloped regions.

2.3.2. Respondents

The survey questionnaire was distributed to 500 respondents, and the organizational and individual characteristics of the sample companies and employees were analyzed based on the location of the companies.

Describe from three aspects: employee age, employee gender and years of work experience. These aspects may have a certain correlation with the incentive effect of core employees in private SMEs. In subsequent statistical analysis, these variables were used as control variables, and methods such as correlation analysis and univariate multivariate statistical analysis were used to analyze whether the organizational characteristics and employee personality characteristics of different enterprises have a significant impact on the incentive effect.

The respondents selected for this study have the following characteristics:

- (1) Must have worked in the company for at least 1 year.
- (2) Must come from core employees.
- (3) Must have a deep understanding of the company culture and philosophy.
- (4) Must be willing to participate in the study.
- (5) Must be willing to answer the questionnaire and answer truthfully.

2.3.3. Research Instrument

This study investigated the motivation of core employees in private SMEs in Guangdong Province through a questionnaire survey. The questionnaire consisted of two parts: personal basic information and core employee motivation practices. The study distributed questionnaires to

500 respondents

(1) Personal basic information

This included gender, age, and years of work experience.

(2) Core employee motivation practice

There are three sections to the questionnaire. The initial section is an overview of the core employees of private SMEs in Guangdong Province. The second part is about providing non-economic incentives to core employees of private SMEs in Guangdong Province. The third part is about providing economic incentives to core employees of private SMEs in Guangdong Province. The researcher developed the questionnaire based on the actual situation of the research subjects and in alignment with the research objectives. The practice of motivating core employees is measured from three dimensions: economic incentives, non-economic incentives, and incentive effects. This study used the four-point scale. The answer options were set to “Strongly Agree”; “Agree”; “Disagree”; and “Strongly Disagree”.

2.4. Statistical Treatment

This study used the following statistical tools:

(1) Descriptive Statistics

This study first used descriptive statistical analysis to provide an overview of the basic characteristics and main variables of the sample. Descriptive statistical analysis mainly includes frequency and percentage statistics of demographic variables such as gender, age, and years of work experience, as well as calculating the mean, standard deviation, maximum, and minimum values of core variables such as economic incentives and non-economic incentives, in order to gain a preliminary understanding of the distribution and overall trend of the data. The descriptive statistical results of core variables provide basic data for subsequent analysis of variance analysis.

(2) Independent sample T-test

This study grouped core employees of sample companies by gender, assigning a value of 1 to male employees and 0 to female employees. Then, through independent sample t-test, significant differences were detected between the two groups in terms of economic incentives, non-economic incentives.

(3) ANOVA

This study grouped the age of core employees in sample companies, assigning values of 1, 2, 3, 4,5. Then, the analysis of variance procedure known as the mean test was applied. The investigator looked for notable variations between groups in terms of economic and non-economic incentives based on the respondents' profiles.

This study grouped the years of work experience of core employees in sample enterprises, assigning values of 1, 2, 3, 4 to 1-2 years, 3-5years, 6-8years, over 8 years respectively. Then, using the mean test method of analysis of variance, significant differences were detected between the groups in terms of economic incentives, non-economic incentives, and incentive effects.

3. Results

3.1. Demographic Profile of the Respondents

In Table 1, employees aged 30-39 account for 52.00%, which is the main group of the sample, followed by those aged 40-49 (25.60%) and 20-29 (15.20%). Employees aged 30-39 are in an important stage of career development and have a strong demand for both non-economic and economic incentives. Employees aged 40-49 may be more concerned

about job stability and long-term motivation, while employees aged 20-29 value learning and growth opportunities more. The proportion of employees aged 50 and above is relatively low, accounting for only 7.20% of the sample, and their motivational effect may be more reflected in retirement benefits and job flexibility (Lin Jie, 2024).

In the subsequent statistical analysis, the analysis of variance (ANOVA) and multiple linear regression were used to control for variables such as age, gender, and years of work experience, and explore in depth the impact of different motivational factors on motivational effects. There may be significant differences in the impact of non-economic incentives and economic incentives on employees of different age groups.

Table 1. Demographic Profile of the Respondents in Terms of Age

Age	Frequency	Percent
20-29 years old	76	15.20
30-39 years old	260	52.00
40-49 years old	128	25.60
50-59 years old	31	6.20
60 years old and above	5	1.00
Total	500	100.0

Table 2. Demographic Profile of the Respondents in Terms of Gender

Gender	Frequency	Percent
Male	372	74.40
Female	128	25.60
Total	500	100.0

In Table 2, out of 500 respondents, 372 were male, accounting for 74.40%, while only 128 were female, accounting for 25.60%. This indicates that there are significantly more male employees than female employees in the sample. Due to the significantly higher proportion of males in enterprises compared to females, gender differences may become a significant variable when analyzing incentive effects, especially in the impact of non-economic and economic incentives on employees of different genders.

In the subsequent analysis, analysis of variance and multiple linear regression were used to evaluate the impact of gender on motivational effects. Gender as a control variable can help researcher identify differences in motivational needs between males and females. Male employees may pay more attention to economic incentives, while female employees may value non-economic incentives such as work life balance and career development opportunities (Hu Lili, 2022).

Table 3. Demographic Profile of the Respondents in Terms of Years of Work Experience

Years of Work Experience	Frequency	Percent
1-2 years	86	17.20
3-5years	119	23.80
6-8years	237	47.40
More than 8 years	58	11.60
Total	500	100.0

In Table 3, it can be seen that the 500 respondents are distributed according to their years of work experience. The highest proportion of employees with 6-8 years of work experience is 47.40%, with a total of 237 people. Next are employees with 3-5 years of work experience, accounting for

23.80%, with a total of 119 people. Employees with 1-2 years of work experience account for 17.20%, which is relatively small. However, employees with over 8 years of work experience account for only 11.60%, totaling 58 people. This distribution indicates that the majority of respondents have a work experience concentrated between 3 and 8 years, which may mean that they are in the middle stage of career development and may be more concerned about economic incentives such as career advancement and salary growth, while also having a higher demand for learning and growth opportunities in the workplace (Gao Shuoshuo, 2019).

In the statistical analysis, work experience will be assessed as a control variable using ANOVA and multiple linear regression. Motivation needs may vary significantly based on work experience, influencing the effects of economic and non-economic incentives on job satisfaction and motivation. Employees with more experience may prioritize long-term

economic incentives and achievement, while those with less experience may focus more on career development and growth opportunities (Li Qiaoru, 2023).

3.2. Significant Difference among Private SMEs in Guangdong Province of Core Employee Motivation

According to the analysis of variance (ANOVA) results in Table 4, there is a significant difference in the satisfaction of core employees with the economic and non-economic incentives provided by private SMEs when grouped according to employee age, gender, and work experience. These differences are reflected in the significance test results between multiple variables, proving that various groups have varying needs and react differently to incentive programs.

Table 4. Tests of Between-Subjects Effects

Source	Dependent Variable	df	Mean Square	F	Sig.
Age	Non-economic incentives	4	4.071	10.323	0.000
	Economic incentives	4	2.667	9.432	0.000
Gender	Non-economic incentives	1	21.056	55.071	0.000
	Economic incentives	1	3.597	12.181	0.001
Years of work experience	Non-economic incentives	3	4.656	11.693	0.000
	Economic incentives	3	0.96	3.223	0.022

Firstly, the analysis results in terms of age show that there are significant differences in employee satisfaction for both non-economic incentives ($F=10.323$, $Sig.=0.000$) and economic incentives ($F=9.432$, $Sig.=0.000$). This indicates that employees of different age groups have varying needs and expectations for incentive measures. Older employees may value stability, long-term benefits, and career development opportunities more, while younger employees may value growth opportunities and autonomy more. Therefore, companies should adjust incentive policies according to the needs of employees of different age groups.

Secondly, gender also has a significant impact on satisfaction with incentive measures. The table shows that there is a significant difference in gender satisfaction with both non-economic incentives ($F=55.071$, $Sig.=0.000$) and economic incentives ($F=12.181$, $Sig.=0.001$). Gender differences may stem from the varying levels of emphasis placed on different types of incentives by male and female employees in their work. Female employees may be more inclined towards work life balance, work atmosphere, and career growth opportunities, while male employees may be more focused on economic incentives such as salary and

bonuses.

Finally, the length of service also significantly affects employees' satisfaction with incentive measures. The data shows that work experience has a significant impact on both non-economic incentives ($F=11.693$, $Sig.=0.000$) and economic incentives ($F=3.223$, $Sig.=0.022$). As work experience increases, employees' expectations and needs for incentive measures will also change. Employees with shorter work experience may be more focused on growth and learning opportunities, while employees with longer work experience are more concerned about long-term career development, retirement benefits, and stability.

In summary, there are significant differences in the satisfaction of core employees of private SMEs in Guangdong Province with economic and non-economic incentives based on age, gender, and years of work experience. When designing and implementing incentive policies, enterprises should take into account these individual differences and implement differentiated incentive measures to better meet the needs of different groups and enhance employee job satisfaction and motivation (Guo Ping, 2024).

Table 5. Gender of core employees

Project	Gender (mean ± standard deviation)		t	p
	male (n=372)	Female (n=128)		
Non-economic incentive	3.07±0.58	2.60±0.72	6.665	0.000**
Economic incentive	3.07±0.52	2.88±0.60	3.272	0.001**

Table 5 displays the average scores (mean and standard deviation) of core employees of different genders under non-economic and economic incentives, and examines the impact of gender on incentive effects through t-test.

In terms of non-economic incentives, the average score for male employees (n=372) is 3.07 with a standard deviation of 0.58, while the average score for female employees (n=128)

is 2.60 with a standard deviation of 0.72. The t-test results showed that the t-value was 6.665 and the p-value was 0.000, significantly lower than 0.01 ($p<0.01$), indicating that gender has a highly statistically significant impact on non-economic incentives. Based on this result, the null hypothesis can be rejected, stating that there are notable distinctions between male and female employees in non-economic incentives.

Specifically, the average score of male employees is higher than that of females, indicating that male employees respond more positively to non-economic incentives.

In terms of economic incentives, the average score for male employees is 3.07 with a standard deviation of 0.52, while the average score for female employees is 2.88 with a standard deviation of 0.60. The t-test result is $t=3.272$, $p=0.001$, also lower than 0.01 ($p<0.01$), indicating that gender also has a significant impact on economic incentives. From this, it can be seen that the average score of male employees in terms of economic incentives is significantly higher than that of female employees, indicating that men respond more positively to economic incentives.

Through the analysis of non-economic incentives and economic incentives, it can be found that gender has significant differences in both dimensions, and male employees have higher average scores than female employees in both incentive categories. This result reflects that male employees exhibit higher reaction intensity when receiving non-economic and economic incentives, suggesting that men may be more sensitive to material and non-material incentives in the corporate incentive system.

In the t-test of two motivational factors, both were

significantly lower than 0.01, indicating that at the significance level set in this study ($p<0.01$), the null hypothesis can be rejected, that is, there is a significant difference in motivational effects between genders. Specifically, gender has a significant impact on the effectiveness of both non-economic and economic incentives.

This study indicates that gender plays a significant role in incentive mechanisms, particularly in male employees who exhibit higher responses to non-economic and economic incentives than females. This result suggests that companies should consider gender differences when designing incentive strategies, especially in the context of private SMEs, where incentive plans can be tailored according to gender differences. For example, companies can provide more growth opportunities and material rewards for male employees, while strengthening psychological support and career development opportunities for female employees to achieve more effective motivational effects (Hu Lili, 2022). The data analysis in this table reveals the importance of gender in the incentive effect, providing important references for further optimizing the incentive mechanism within the enterprise.

Table 6. Age of core employees

Project	Age (mean \pm standard deviation)					F	p
	20-29 (n=76)	30-39 (n=260)	40-49 (n=128)	50-59 (n=31)	> 60 (n=5)		
Non-economic incentive	2.92 \pm 0.64	2.88 \pm 0.63	2.94 \pm 0.67	3.53 \pm 0.36	3.90 \pm 0.07	10.323	0.000**
Economic incentive	2.99 \pm 0.54	2.95 \pm 0.52	3.06 \pm 0.58	3.43 \pm 0.40	3.91 \pm 0.06	9.432	0.000**

Table 6 displays the average scores (mean and standard deviation) of core employees in different age groups under non-economic and economic incentives, and examines the impact of age on incentive effects through analysis of variance (ANOVA).

In terms of non-economic incentives, the average score of employees in different age groups gradually increased from 2.92 (standard deviation=0.64) in the 20-29 age group to 3.90 (standard deviation=0.07) in the 60+age group. The analysis of variance results showed that the F-value was 10.323 and the p-value was 0.000 ($p<0.01$), indicating that age has a highly statistically significant impact on non-economic incentives. This result indicates significant differences in non-economic incentives among employees of different age groups. Specifically, as employees age, their ratings of non-economic incentives gradually increase, with those over 60 showing the highest level of satisfaction. This may reflect that older employees place greater emphasis on non-economic factors in their work, such as dedication and sense of achievement.

In terms of economic incentives, the average score of employees in different age groups gradually increased from 2.99 (standard deviation=0.54) in the 20-29 age group to 3.91 (standard deviation=0.06) in the 60+age group. The analysis of variance results showed that the F-value was 9.432 and the p-value was 0.000 ($p<0.01$), indicating that age has a significant impact on economic incentives. This result indicates that the null hypothesis is rejectable, which suggests that age has significant differences in economic incentives. Specifically, older employees have a higher average rating for economic incentives, indicating that older employees may have stronger needs or preferences for material incentives such as salary, bonuses, benefits, etc.

The findings of the investigation indicate that age

significantly affects both non-economic and economic incentives, and the trend of both is consistent: as age increases, the score of incentive effects gradually improves. This indicates that age plays a significant role in employee motivation, which may be related to the increased demand for stability, job achievement, and material rewards among older employees. This discovery reveals the changes in motivational factors with age, suggesting the need to consider employees' age factors when designing incentive plans.

On both motivational factors, the p-values are below 0.01, indicating that age has a significant impact on the motivational effect at the significance level ($p<0.01$). We can reject the null hypothesis and confirm that there are significant differences in non-economic incentives and economic incentives among employees of different age groups. This result supports the research hypothesis that the role of age in incentive mechanisms cannot be ignored, especially in the environment of private SMEs, where age differences bring about significant differences in incentive needs.

The findings of the study show that age significantly affects incentive mechanisms, and older employees respond more positively to non-economic and economic incentives. This discovery provides theoretical support for companies in designing incentive strategies: it is recommended to adopt customized incentive plans for employees of different age groups. For example, for older employees, economic incentives such as salary and retirement benefits can be strengthened to meet their needs; For young employees, non-economic incentives such as growth opportunities and a sense of achievement can be added to stimulate their intrinsic motivation (He Yan, 2021). The importance of age in incentive effects cannot be ignored, and companies should adjust incentive strategies based on employees' age

characteristics to achieve optimal incentive effects.

Table 7. Years of Work Experience of Core Employees

Project	Years of Work Experience (mean ± standard deviation)				F	p
	1-2 (n=86)	3-5 (n=119)	6-8 (n=237)	> 8 (n=58)		
Non-economic incentive	2.64±0.66	2.89±0.66	3.03±0.64	3.20±0.46	11.693	0.000**
Economic incentive	2.92±0.54	2.96±0.59	3.06±0.55	3.16±0.43	3.223	0.022*

Table 7 displays the average scores (mean and standard deviation) of core employees with different years of work experience under non-economic and economic incentives, and examines the impact of work experience on incentive effects through analysis of variance (ANOVA). An examination of the data is provided below.

In terms of non-economic incentives, the average score of employees with different work experience gradually increased from 2.64 (standard deviation=0.66) in the 1-2 year group to 3.20 (standard deviation=0.46) in the 8-year and above group. The findings of the analysis of variance revealed that the F-value was 11.693 and the p-value was 0.000 ($p<0.01$), indicating a highly statistically significant impact of work experience on non-economic incentives. This result indicates that there are significant differences in non-economic incentives among employees with different years of work experience. Specifically, employees with longer work experience score higher on non-economic incentives, indicating that they may place greater emphasis on non-economic factors in their work, such as sense of achievement, career development, and self-worth realization.

In terms of economic incentives, the average score of employees with different working years increased from 2.92 (standard deviation=0.54) in the 1-2 year group to 3.16 (standard deviation=0.43) in the 8-year and above group. The analysis of variance results showed that the F-value was 3.223 and the p-value was 0.022 ($p<0.05$), indicating that the impact of work experience on economic incentives is also statistically significant, but its significance level is slightly lower than that of non-economic incentives. This result indicates that the null hypothesis can be rejected, that is, there are significant differences in economic incentives among employees with different years of work experience. Overall, employees with longer seniority score higher in economic incentives, indicating that they may have a higher emphasis on economic incentives such as salary, allowances, and bonuses.

According to the analysis's findings, employees with more years of work experience get significantly different non-economic and economic incentives, and they also perform better than those with less years of work experience in both categories. This indicates that as employees' years of service in the company increase, their demand and emphasis on non-economic and economic incentives also increase. Employees with longer seniority may be more inclined to seek a sense of achievement, career stability, and material rewards, while employees with shorter seniority have relatively lower needs in this regard.

For the analysis of the two motivational factors, the p-values were significantly lower than 0.05, indicating that at the significance level ($p<0.05$), the null hypothesis can be rejected, that is, there are significant differences in the scores of employees with different work experience on the motivational effect. The importance of work experience in motivational effects has been verified, especially in non-economic incentives, the psychological demands of

employees are greatly influenced by work experience, with a significance level of $p<0.01$.

The research results indicate that there are significant differences in motivation needs among employees with different years of work experience, and employees with longer seniority have more positive responses to non-economic and economic incentives. For enterprises, this result has practical guidance significance. It is recommended to provide differentiated incentives based on employees' years of work experience when formulating incentive strategies. For example, for employees with longer seniority, job satisfaction and loyalty can be improved by increasing non-economic incentives (such as recognition and career development opportunities) as well as economic incentives (such as salary and benefits). For employees with shorter seniority, companies can focus more on career growth incentives and onboarding support to promote their integration and development (Tian Jiahua, 2023). The influence of work experience on incentive effects is worth paying attention to. Enterprises should develop and adjust incentive strategies based on employees' work experience to meet the needs of employees with different years of experience, thereby enhancing their overall satisfaction and work motivation.

3.3. Programs for Economic & Non-Economic Incentives

3.3.1. Non-Economic Incentives Program

(1) Employee Engagement

Employee engagement stands as a pivotal factor in driving an organization's success. To foster a thriving workplace, we will focus on optimizing the work environment, thereby creating a space that is conducive to productivity, collaboration, and innovation. This involves improving physical workspaces, promoting a healthy work-life balance, and guaranteeing that workers have access to the equipment and materials they need to complete their jobs effectively.

Furthermore, the researcher recognized the importance of enhancing management practices and strengthening corporate culture to deepen employees' sense of belonging and satisfaction. By adopting a people-centric approach, open communication, transparency, and fairness in all operations will be encouraged. Furthermore, it is best to recognize the importance of enhancing management practices and strengthening corporate culture to deepen employees' sense of belonging and satisfaction. By adopting a people-centric approach, transparency, and fairness in all operations are encouraged. Additionally, it would be best to actively involve employees in decision-making processes, empowering them to contribute their ideas, opinions, and creative solutions. In addition to increasing their sense of drive and responsibility, this participatory method cultivates an innovative and continuous improvement culture, which eventually helps the business achieve long-term success (Guo Bin, 2021).

(2) Learning Opportunities for Growth

Learning opportunities for growth are indispensable in fostering employees' self-worth and professional development. To ensure core employees have access to the resources they need to excel, there will be an array comprehensive set of training resources and learning opportunities. These will encompass in-house training sessions, external courses, and online learning platforms, catering to diverse learning styles and preferences.

By developing systematic training plans and personalized learning paths, employees will be empowered to continually improve their professional skills and overall competence. This approach will involve identifying each employee's unique strengths, weaknesses, and career aspirations, and tailoring the training programs accordingly. This not only enhances their individual capabilities but also aligns their growth trajectory with the company's strategic objectives. As employees acquire new skills and knowledge, they become more valuable assets to the organization, driving innovation, improving performance, and ultimately contributing to the company's sustainable development and competitive advantage in the marketplace (Lu Min, 2023).

(3) Sense of Pride and Accomplishment

Recognizing the achievements and contributions of core employees is crucial in fostering a sense of pride and accomplishment, which are powerful motivators for continued success. To this end, we will implement a comprehensive recognition program that includes public acknowledgment, honorary certificates, and promotions, as suggested by Li Bing (2023). These formal recognitions will be given at company-wide events, team meetings, and through internal communications, ensuring that the efforts and accomplishments of our employees are visible and appreciated by all.

In addition to formal recognition, we will also encourage employees to take on major projects and participate in decision-making processes. By involving them in strategic planning, project management, and other key initiatives, we help employees realize their importance and value within the organization. This sense of ownership and responsibility not only enhances their pride in their work but also deepens their sense of accomplishment as they see the tangible results of their efforts. Furthermore, it encourages an environment of trust, cooperation, and creativity where staff members are encouraged to provide their knowledge and solutions to the company's success. Through these initiatives, we aim to create a work environment where employees are motivated, engaged, and proud to be part of our organization. (Huang Lin, 2021).

3.3.2. Economic Incentives Program

(1) Salary or Compensation

A reasonable and competitive salary structure is a cornerstone in attracting and retaining top-tier employees. To ensure core employees are fairly compensated, adherence to market standards and provision of competitive base salaries that will reflect their skills, experience, and the value they bring to the organization must be enforced. This approach not only helps attract the best talent but also ensures that existing employees feel valued and recognized for their contributions. Additionally, regular market analysis and periodic adjustments of salaries can be done based on job performance, ensuring compensation remained competitive and aligned with industry norms.

In addition to competitive base salaries, a robust incentive program that includes annual bonuses and project bonuses

will be implemented. These bonuses will be directly tied to an employee's contributions, performance, and the success of the projects they undertake. Thus by linking compensation to performance, motivation, creativity; a sense of ownership among employees will be promoted. This performance-based compensation structure not only rewards employees for their hard work and achievements but also aligns their interests with the company's goals, fostering a culture of collaboration, innovation, and continuous improvement. Through a combination of competitive base salaries and performance-based incentives, we will create a compensation package that attracts, motivates, and retains the best talent in the industry (Qin Dandan, 2023).

(2) Allowances

To address the living pressures faced by core employees and enhance their overall job satisfaction, a comprehensive package of allowances that covers various aspects of their daily lives will be offered. This includes providing housing, transportation, and communication subsidies, which are essential for reducing the financial burden associated with these basic needs. By offering these subsidies, a supportive work environment where employees can focus on their work without worrying about the additional stresses of daily living expenses can be created. This approach not only demonstrates commitment to employee well-being but also fosters a sense of loyalty and dedication among the workforce.

In addition to the standard allowances, there will be specific allowances tailored to certain roles or work environments. For example, employees in special positions that require unique skills or qualifications will receive special position allowances to recognize their expertise and the additional responsibilities they undertake. Similarly, employees working in challenging or hazardous environments will be eligible for environmental allowances to compensate for the additional risks and discomforts associated with their work. By offering these targeted allowances, we aim to acknowledge the specific challenges faced by different employees and provide the necessary support to ensure their job satisfaction and continued commitment to the organization. Through a combination of comprehensive standard allowances and targeted specific allowances, we will create a supportive and rewarding work environment that fosters employee well-being and retention. (Li Shuzhen, 2021).

(3) Bonuses

Bonuses are crucial to unlock employee potential and boost performance. There will be diverse schemes, including performance bonuses for meeting targets. Recognizing and rewarding excellence motivates employees to improve skills and productivity. This strategy aligns individual efforts with organizational success, fostering a culture of achievement and continuous growth (Meng Fanhong, 2024).

In addition to performance bonuses, there must be innovation to bonuses to encourage creativity and foster a culture of active change within the organization. These bonuses will be awarded to employees who propose and implement innovative ideas, solutions, or processes that lead to significant improvements or cost savings. Furthermore, to promote teamwork and collaboration, teamwork-bonuses can be established in order to recognize and reward the collective efforts of teams that achieve outstanding results or demonstrate exceptional cooperation.

To ensure fair bonuses, there must be clear, objective criteria aligned with the goals of the company. Transparent

evaluation mechanism will provide regular feedback and ensure merit-based rewards. This approach fosters trust, drives performance, and unleashes employee potential. By aligning bonuses with organizational success, we create a motivated, engaged, and productive workplace (Zhang Jingwen, 2023).

(4) Retirement and Fringe Benefits

The retirement and fringe benefits incentive plan are a crucial measure for retaining talent and supporting long-serving employees. This plan begins by defining retirement eligibility, ensuring that employees can retire smoothly upon reaching the specified age and years of service. In terms of retirement benefits, the company will provide a generous pension and comprehensive medical coverage based on employees' length of service and contributions. Additionally, fringe benefits such as housing allowances, regular health check-ups, and continuing education opportunities aim to enhance retirees' quality of life.

Long-term employees with outstanding contributions will be granted additional rewards and honorary recognition. To ensure the plan's efficacy, the company will enhance communication, thoroughly promote it, and continuously optimize its content to align with both employee needs and organizational growth, ensuring full employee awareness and engagement.

4. Discussions

4.1. Conclusions

This study explored the job satisfaction and work motivation of core employees in private SMEs in Guangdong Province under different incentive factors, and analyzed the impact of non-economic incentives and economic incentives on incentive effects. This study selected 500 core employees as samples and analyzed personal characteristics such as age, gender, and years of work experience. Combining multiple linear regression and analysis of variance, draw relevant conclusions. The variables in this study include non-economic incentives (such as employee engagement, learning opportunities for growth, sense of pride and accomplishment) and economic incentives (such as salary or compensation, allowances, bonuses, retirement and fringe benefits).

(1) Descriptive statistical analysis was conducted on the personal characteristics of the sample. Among the 500 respondents, 52% were employees aged 30-39, indicating that this age group is the main group of private SMEs in Guangdong Province. In terms of gender, males make up 74.40% of the workforce, indicating that male employees dominate the industry. In terms of work experience, 47.40% of employees have 6-8 years of work experience, which further highlights the importance of this group in the company. By analyzing these personal characteristics, a foundation can be laid for further in-depth research on incentive effects.

(2) This study further points out through analysis of variance that there are significant differences in employee satisfaction with economic and non-economic incentives based on age, gender, and years of work experience. Employees of different age groups have varying needs for motivational factors. Young employees value growth and learning opportunities more, while older employees value long-term career security and benefits more. Gender differences also significantly affect employees' satisfaction with incentive measures. Female employees tend to focus more on work life balance and growth opportunities, while

male employees place greater emphasis on material incentives. Employees with longer work experience have a higher demand for stability and career development opportunities, which provides a reference for companies to develop diversified incentive policies.

(3) In an increasingly competitive market, for a company to maintain its core competitiveness and achieve sustainable development, the key lies in attracting, motivating, and retaining core employees. To this end, it is proposed to have a comprehensive set of economic and non-economic incentive program to fully meet the needs of core employees and maximize their potential. The non-economic incentive program includes employee engagement, learning opportunities for growth, sense of pride and accomplishment. Economic incentive program includes salary or compensation, allowances, bonuses, retirement and fringe benefits.

4.2. Recommendations

(1) In terms of the personal characteristics identified through the descriptive statistical analysis, the sample reveals that employees aged 30-39 constitute the primary workforce in private SMEs in Guangdong Province, with males dominating the industry and a significant portion of employees possessing 6-8 years of work experience. So, to effectively tailor incentive strategies, it is recommended that organizations consider these demographic traits. Specifically, incentives should be designed to appeal to the career advancement needs and aspirations of the 30-39 age group, while also addressing potential gender-specific preferences. Additionally, recognizing and leveraging the experience of employees with 6-8 years of tenure can foster a more engaged and motivated workforce. By aligning incentive programs with these personal characteristics, organizations can lay a solid foundation for enhancing employee motivation and performance.

(2) In terms of the significant differences in employee satisfaction with incentives based on age, gender, and work experience identified through analysis of variance, companies should adopt a nuanced approach to incentive design. So, to cater to these diverse needs, organizations should offer young employees opportunities for growth and learning, prioritize long-term security and benefits for older staff, and provide work-life balance and growth prospects for female employees. For male employees, material incentives should be emphasized, while those with extensive work experience should be offered stability and career development opportunities. By tailoring incentives to these specific demographics, companies can enhance overall employee satisfaction and foster a more motivated, productive workforce.

(3) In terms of attracting, motivating, and retaining core employees in a competitive market, companies must implement a comprehensive incentive program. So, to achieve this, organizations should offer non-economic incentives such as employee engagement, learning opportunities for growth, and a sense of pride and accomplishment to fulfill intrinsic needs. Additionally, economic incentives like competitive salaries, allowances, bonuses, retirement plans, and fringe benefits should be provided to meet material needs. By integrating both non-economic and economic incentives, companies can fully address the needs of core employees, maximize their potential, and ensure sustainable development and competitiveness in the market.

(4) Furthermore, future research should focus on refining and validating the effectiveness of tailored incentive strategies across diverse demographics and organizational contexts. Specifically, longitudinal studies could investigate the long-term impact of balanced economic and non-economic incentives on employee motivation, satisfaction, and retention. Furthermore, exploring the interplay between intrinsic and extrinsic motivators in various industries and cultural settings would provide deeper insights into optimal incentive design. By continuously adapting and testing incentive strategies in response to evolving market conditions and employee needs, organizations can foster a highly motivated, engaged, and productive workforce, ultimately driving sustainable growth and competitive advantage.

4.3. Implications of the Study

This study analyzed a sample of 500 core employees from private SMEs in Guangdong Province to explore the impact of economic and non-economic incentives on employee job satisfaction and motivation, providing empirical support for enterprises to optimize incentive strategies in human resource management. The results of the study indicate that there is a significant correlation between employees' personality traits (age, gender, years of work experience) and the incentive effects provided by the company, revealing the key role of different types of incentive measures in enhancing employees' work motivation. This study not only fills the theoretical gap in the incentive mechanism for core employees in SMEs, but also provides valuable reference for the incentive practice of enterprises.

The research results revealed significant differences in the response of employees' age, gender, and work experience to incentive measures, providing differentiated incentive strategy recommendations for human resource management in enterprises. Employees who are older or have worked for a longer period of time may value economic incentives more, especially in terms of benefits, retirement, and allowances, while younger employees are more sensitive to career growth opportunities in non-economic incentives. Therefore, companies should design more personalized incentive plans based on the needs of different employee groups to meet the diverse needs of employees and ensure their long-term motivation (Li Qiaoru, 2023). By balancing economic and non-economic incentives, companies can better attract, motivate, and retain core employees, promoting long-term stable development of the enterprise.

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