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CONTENTS

Page

1. **Nhan, N. T. M. and Ha, B. T. T.** - Research on Factors Affecting the Implementation of Social Dialogue at Garment Enterprises in Vietnam 3
2. **Tho, N. H. and Quan, T. H. M.** - The Impacts of the Big Five Traits on the Intention of Stock Investment through Risk, Uncertainty, and Investment Performance Perception 18
3. **Huong, V. T. T.** - An Analysis of the Comparative Advantage of Vietnam's Agri-product Exports to EU 29
4. **Quyet, N.** - The Asymmetric Effect of Gasoline Price on Consumer Prices: An Evidence From the Vietnamese Market 42
5. **Ha, H. T. C.** - Financial Distress and Restructuring by Life Cycle in Vietnamese Firms 51
6. **Huong, D. T. M.** - A Study on the Impact of Organizational and Elderly labor Factors on Effective Elderly Labor Use in Vietnam 63
7. **Nguyen, N. P. and Hiep, N. and Hang, N. T. T.** - The Impact of Leader's Personal Qualities on the Firm Performance: Case Study at MBBank Quang Ngai Branch 72
8. **Thuy, V. X. and Trang, N. T.** - The Impact of Public Debt on Economic Growth: Empirical in VietNam 81

RESEARCH ON FACTORS AFFECTING THE IMPLEMENTATION OF SOCIAL DIALOGUE AT GARMENT ENTERPRISES IN VIETNAM

Nguyen Thi Minh Nhan

Thuongmai University

Email: minhnhnhan@tmu.edu.vn

Bui Thi Thu Ha

Thuongmai University

Email: habtt@tmu.edu.vn

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The study aims to analyze the impact of environmental factors on the implementation of social dialogue at garment enterprises in Vietnam. Data collected from 176 garment enterprises via designed questionnaires. The study uses SPSS and AMOS software version 21 to analyze descriptive statistics, testing the scale's reliability, EFA analyze, CFA analyze, SEM analyze, testing 04 research hypothesis inherited from researchers and 01 hypothesis proposed in the context of research in Vietnam. The research results show that the research hypotheses are accepted and factors affecting the implementation of social dialogue at garment enterprises include: Labor law, management capacity of labor authorities, capacity of subjects labor relations, corporate culture, textile and garment industry's collective bargaining agreement. In particular, the capacity of subjects in labor relations has the strongest impact on the implementation of social dialogue at garment enterprises in Vietnam. At the same time, the study also offers a number of solutions to improve conditions for promoting social dialogue at garment enterprises in Vietnam.

Keywords: social dialogue, implementation of social dialogue, garment enterprises, factors affecting

1. Introduction

For many years, the textile and garment industry has always been one of the key export sectors of Vietnam. Currently, Vietnam's textile and garment industry ranks in the top 5 out of 153 garment exporting countries in the world. In particular, the garment market share of Vietnam in the US, Japan and South Korea ranked 2nd, ranked 6th in the EU and ranked 9th in ASEAN countries. The garment industry is also the most formal employer in Vietnam, accounting for more than 20% of the employment in the industrial sector and nearly 5% of the total national workforce, providing jobs for nearly 2.5 million employees (VITAS, 2018). In the context that Vietnam participates in and signs economic agreements in the region and the world such

as EVFTA, CPTPP, etc. Textile and garment industry is considered to be the industry most likely to gain the greatest benefits of Vietnam when the agreements come into effect. However, this is also a highly sensitive industry in terms of labor relations (LR) and has always led the country in the number of labor disputes, strikes in recent years (VGCL, 2018). Social dialogue (SD) is considered as a mechanism and tool that plays a crucial role in balancing and reconciling the interests of social partners and building harmonious LR. However, the current situation of implementing dialogues at garment enterprises is still limited. Many garment enterprises hold a formal dialogue. There are even some businesses implementing dialogues to deal with partners and state management agencies when

checking and monitoring. The quality of the collective bargaining agreement (CBA) is low, there are not many contents to bring benefits to employees.

Stemming from the above practical problems, the article aims to build and test the model of factors affecting the implementation of SD at garment enterprises in order to know the impacting factors to give recommendations for policy makers and garment enterprises promptly take measures to improve environmental factors in order to facilitate and promote SD, contribute to establish LR, reduce labor disputes, strike as well as improve labor productivity, business performance and efficiency at the enterprise.

2. Research overview of factors affecting the implementation of social dialogue at enterprises

Social dialogue at enterprises is a process of cooperation, voluntariness and interaction between partners. This activity is affected by environmental factors of LR. The research and understanding of these factors are very important for the subjects to understand the effects and react promptly to adjust for this activity to be implemented practically and effectively. Through the process of reviewing domestic and foreign documents on factors affecting the implementation of SD at enterprises, the author found that most of the research works on factors affecting LR at enterprises in general. In which, SD is a basic element of the LR and is influenced by these factors. There are a few qualitative research projects on the conditions for the implementation of SD such as: The common perception that labor law has an impact on the implementation of SD at enterprises is the research of Norad (2011), Dannin & Singh (2002, 2005), Departement of Labor (2009), Lee (2009), Cramton et al. (1999). The authors believe that the National Law on LR has a role in balancing the power of the actors in the labor planning in dialogue, negotiation, affecting the position and strategy of the subjects and the national labor law plays a role in protecting the right to freedom of association, freedom to choose representatives for dialogue of employees. Broughton (2008) thinks that implementing SD at all levels depends on conditions of each country, especially: Legal conditions; Capacity of subjects; Relationship of subjects. According to the author, these are also factors that

contribute to the success of SD. Muskhelishvili (2011) affirmed that effective SD requires a solid legal basis, consistent with internationally recognized labor rights. At the same time, research also shows that the success of SD depends on the level of representation and the strength of social partners. Sivananthiran & Ratnam (2004) in their research confirmed that corporate culture has a positive impact on the implementation of SD at enterprises. Shenoy (2003), Norad (2011), Broughton (2008), Baccaro & Heeb (2011), Binh (2014), Voss et al. (2009) show that the capacity of subjects in LR influence the implementation of SD at enterprises. CNV Internationaal (2017) emphasizes the sense of fulfilling commitments of the parties and respect for partners, the goodwill of the employer as a condition for SD to be implemented effectively. Research by Fuess (2001) and Craver (2008) confirmed that the capacity of representative organizations (especially financial and human independence) plays an important role in determining the outcome of negotiation and Employees' participation in this organization affects their rights and interests in collective bargaining at the workplace.

In Viet Nam, Tiep (2008), Nhan (2014), Binh (2014) affirmed that awareness and capacity of the participants will determine the outcome of the dialogue. Social dialogue can only be effectively carried out when supported by a legal corridor, which are guidelines to regulate the behavior of social partners. In addition, Tiep (2008), Ngan & Uyen (2016) and Ngoc (2017) also affirmed that corporate culture affects the behavior of subjects, thereby affecting the culture of dialogue at the enterprise. Thanh (2015), Tiep (2008), Phuc (2012) and Center for Industrial Relations Development - CIRD (2015) identified the capacity and support of state management agencies on labor (such as mediation, inspection, arbitration, labor court) and corporate culture have a supportive effect, helping to facilitate dialogue.

In addition, in the research of Nhan (2014), Eurofound (2019), Markova (2004), Ngan & Uyen (2016) also pointed out the characteristics of the business industry, namely the legal framework in the industry affecting implementation of SD at enterprises such as industry's CBA (ICBA) or legal

documents on labor enforced in the industry.

In summary, the researches have agreed on barriers in implementing SD at enterprises, namely: (i) Labor law; (ii) Management capacity of labor authorities; (iii) Capacity of subjects in LR; (iv) Corporate culture and (v) Industry's CBA. However, the results of these studies are mostly drawn from qualitative researches and comments of the authors as well as inherited from previous studies. According to the author's research, up to now, there has not been any research using quantitative research methods to study the factors affecting the implementation of SD at enterprises.

3.1.1. Concept and scale of implementing social dialogue

Implementing SD at enterprises is the organization and deployment of effective and quality activities: information exchange, consultation or negotiation at enterprises to enhance understanding and reach common agreements between subjects to build LR at enterprises on the basis of respecting the provisions of the labor law. The scale "Implementing social dialogue at enterprises - SD" is developed from the reference to research works of organizations and researchers and is developed, proposed with 14 observed variables as shown in the following table:

Table 1: Scale of implementing social dialogue at enterprises

| Encode | Scale | Research |
|--------|--|---|
| SD1 | Partners are ready to receive information | Jungwoo&Minsoo (2019), Bryson (2004), Youngmo (2006), Heron (2008), Arrigo&Casale (2006), |
| SD2 | Partners are available to consult when requested | Albdour&Altarawneh (2012), Fick (2014), Nhan (2014), Phuc (2012), Tuan&Huu (2015), Chi (2012), Binh (2014), |
| SD3 | Partners are ready to give feedback | Ngan&Uyen (2016), Thang (2018), CIRDC (2018), ILO&IFC (2018), MOLISA (2018), Huong (2019) |
| SD4 | Partners are ready to use consultation when making decisions | |
| SD5 | The enterprise signs the correct type of labor contract with employees | |
| SD6 | The terms of the labor contract comply with the law | |
| SD7 | The labor contract has many higher terms than the law | |
| SD8 | Terminate the labor contract in accordance with the law | |
| SD9 | Enterprises have conducted the collective bargaining | |
| SD10 | Collective bargaining takes place substantially | |
| SD11 | CBA is registered at a competent state agency | |
| SD12 | The terms in the CBA comply with the law | |
| SD13 | CBA has many higher provisions than the law | |
| SD14 | Amendment and supplementation of CBA is conducted in accordance with the law | |

3. Theoretical foundation and research hypotheses

3.1. Concept and scale of research

The concepts and scales of research are formed on the basis of inheriting research works and theoretical approach of domestic and foreign researchers on factors affecting the implementation of SD at enterprises. Through interviewing experts to adjust the scale, the author has developed the concepts and scales to adapt to the research context. The research concepts and scales mentioned here are: Implementing SD at enterprises; Labor law; Management capacity of labor authorities; Capacity of subjects in LR; Corporate culture.

3.1.2. Concept and scale of labor law

Labor law is a combination of legal regulations promulgated by the State to regulate the LR and the process of interaction between subjects in LR. The scale "Labor law - LL" was developed from the reference to research projects of organizations and researchers and proposed with 04 observed variables as shown in the following table 2:

3.1.3. Concept and scale of management capacity of labor authorities

The management capacity of labor authorities is demonstrated through the capacity of the management staff and the capacity to organize activities in support, inspection, supervision and handling of

Table 2: Scale of labor law

| Encode | Scale | Research |
|--------|---|--|
| LL1 | National labor legislation is close to basic international labor standards | Sivananthiran&Ratnam (2004), Broughton (2008), Muskhelishvili (2011), Heron (2008), Cramton et al 1999), Dannin& Singh (2005), Lee (2009), Fasih (2010), Departement of Labour (2009), Tiep (2008), Phuc (2012), Nhan (2014), Binh (2014), Thanh (2015), Ngoc (2017) |
| LL2 | National labor legislation provides for the implementation of grassroots democracy, SD at workplace and collective bargaining | |
| LL3 | National labor laws provide regulations to adjust and supplement the agreements established by the parties | |
| LL4 | National labor laws provide regulations to limit the activities of subjects when collective bargaining is not successful | |

union. Scale "Capacity of subjects in labor relations - SLR" was developed from the reference to research works of organizations and researchers and proposed with 06 observed

violations in implementation SD at business. The scale "Management capacity of labor authorities -

MLA" was developed from the reference of research works of organizations and researchers and proposed with 4 observed variables as shown in the following table 3:

Table 3: Scale of management capacity of labor authorities

| Encode | Scale | Research |
|--------|--|--|
| MLA1 | Local management of labor authorities regularly inspects, checks and monitors dialogue activities at enterprises | ILO (2008), Nhan (2014), Binh (2014), Tiep (2008), Thanh (2015), Phuc (2012) |
| MLA2 | Local management of labor authorities handle promptly violations in SD at enterprises | |
| MLA3 | Intermediary forces (mediator, labor arbitrator) are ready to assist parties in case the outcome of the dialogue has not been successful | |
| MLA4 | Local management of labor authorities works actively to help make SD more substantive | |

Table 4: Scale of capacity of subjects in labor relations

| Encode | Scale | Research |
|--------|---|--|
| SLR1 | Employee has good knowledge, skills and attitude in SD | Shenoy (2003), Broughton (2008), Voss et al. (2009), Craver (2008), Muskhelishvili (2011), Baccaro&Heeb (2011), Norad (2011), Fuess (2001), Tiep (2008), Phuc (2012), Nhan (2014), Binh (2014), Chi (2012), Thanh (2015), Ngoc (2017), CNV Internationaal (2017) |
| SLR2 | Employer has good knowledge, skills and attitude in SD | |
| SLR3 | Employer create favorable conditions for partners to implement SD | |
| SLR4 | Trade union officers have good knowledge, skills and attitude in SD | |
| SLR5 | Trade union has the ability to represent and protect the legitimate rights and interests of employees in SD | |
| SLR6 | Trade union is financially and human independent | |

3.1.4. Concept and scale of subjects in labor relations

The capacity of subjects in LR is understood as the abilities and resources of each subject to implement SD effectively. Accordingly, subjects participating in SD need to know about labor law, SD, etc.; There are SD skills: information exchange skills, consultation skills, negotiation skills; Having an attitude of respect for labor laws and partners. In addition, the representative organization for the employees' collective (Trade union) needs to be able to represent and protect the legal rights of employees in SD. At the same time, it must be independent in terms of finance and human resources to be able to perform well the functions and duties of the trade

3.1.5. Concept and scale of corporate culture
Corporate culture is a system of values recognized, shared, and honored by all employees of enterprises and they behave together in order to fulfill the mission and achieve the goals of the business. Corporate culture affects perceptions and actions of each employee. The scale "Corporate culture - CC" was developed from the reference to research works of organizations and researchers and proposed with 5 observed variables as shown in the following table:



Table 5: The scale of corporate culture

| Encode | Scale | Research |
|--------|---|--|
| CC1 | Enterprises as a family, members are willing to share values and information | Sivananthiran&Ratnam (2004), Tiep (2008), Nhan (2014), Ngan & Uyen (2016), Ngoc (2017) |
| CC2 | The work of members of the enterprise is systematized for easy monitoring and control | |
| CC3 | The members of the enterprise have an active spirit, a sense of responsibility and promote creativity | |
| CC4 | The members of the enterprise are only interested in their work and always try to achieve their own desires | |
| CC5 | The members of the enterprise express, behave and support multicultural | |

3.2. Research model and hypotheses

3.2.1. Research models

On the basis of an overview of domestic and foreign studies, we offer a theoretical research model on factors affecting the implementation of SD at enterprises as the Figure 1 below:

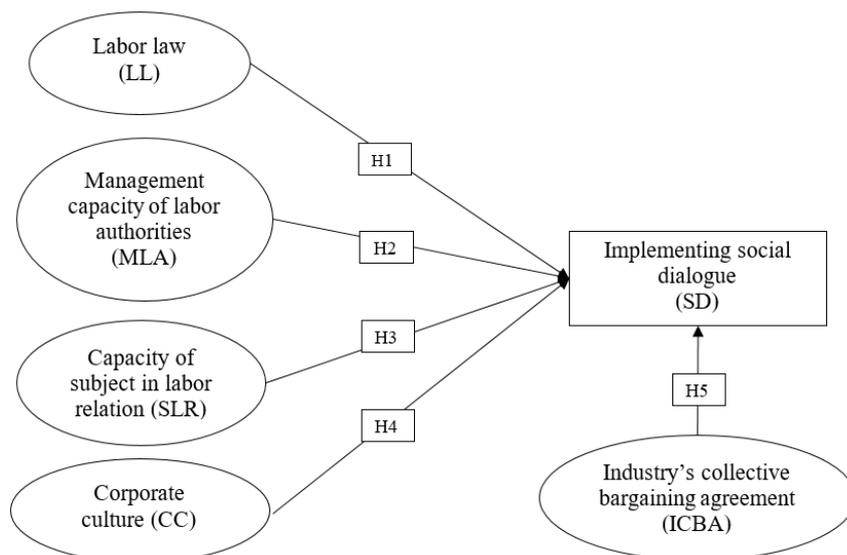


Figure 1: Model of factors affecting the implementation of social dialogue at enterprises

The research model of factors affecting the implementation of SD at enterprises has 33 scales, of which 01 dependent variable is SD; 04 independent variables are LL, MLA, SLR, CC and 01 control variable is industry's CBA.

3.2.2. Research hypotheses

Theoretical model is concretized by 05 research hypotheses as follows:

tion of SD at enterprises.

Hypothesis H3: Capacity of subjects in LR has a positive impact on implementation of SD at enterprises.

Hypothesis H4: Corporate culture has a positive impact on the implementation of SD at enterprises.

In the context of Vietnam, the garment industry is one of the few industries that have an industry's CBA. This is considered as an important legal document to build a healthy and progressive LR based on an open and harmonious dialogue mechanism between the parties. Through an overview of domestic and foreign research documents, we found that there is no research on the impact of industry's CBA on the implementation of SD at enterprises. However, through qualitative research, we found that there is a difference in the implementation of SD at garment enterprises that have participated in industry's CBA and garment enterprises that have not participated in industry's CBA. Therefore, the study proposes hypothesis H5: Industry's CBA controls the implementation of SD at enterprises.

Hypothesis H1: Labor law has a positive impact on the implementation of SD at enterprises.

Hypothesis H2: Management capacity of labor authorities has a positive impact on the implementation of SD at enterprises.

4. Research methodology

The study uses a combination of both qualitative research methods and quantitative research methods as described below:

4.1. Qualitative research methods

4.1.1. Expert interviewing method

The author conducted interviews with 22 experts including lecturers from Thuongmai University, University of Labor and Social Affairs and researchers from: Ministry of Labor, Invalids and Social Affairs (MOLISA), Department of Labor, Invalids and Social Affairs of Ho Chi Minh City, International Labor Organization (ILO) in Vietnam, Vietnam Textile and Apparel Association (VITAS), Vietnam Textile and Garment Union (VTGU), Vietnam General Confederation of Labor (VGCL), labor experts and representatives of non-governmental organizations such as: Center for Development and Integration (CDI), OXFAM, ... to evaluate and check in terms of terminological relevance, the syntax is used in the question to ensure the clarity, as a basis for editing the questionnaire.

4.1.2. Document research method

The author studies documents on the factors affecting the implementation of SD at enterprises through textbooks, scientific research and scientific articles in specialized journals on LR as the basis for building research models and hypotheses.

The study also used a combination of secondary data collected and synthesized from documents, reports and publications of organizations and agencies such as: ILO, MOLISA, CDI, OXFAM, VGCL, VTGU, garment enterprises...; Studies in Labor Market Bulletin, Labor Relations Bulletin, Trade Union Newsletter for the rights and interests of employees and many other publications until 2019 to clarify the impact of environmental factors to implement SD at garment enterprises in Vietnam.

4.2. Quantitative research method

From the theoretical basis synthesized and the results of expert interviews, the questionnaire has been adjusted. The observed variables were built on the 5-point Likert scale (1: Totally disagree; 5: Totally agree) reflecting on the complete research concept. After that, the author conducted a preliminary quantitative study with detailed questionnaires following convenient sampling methods at 02 garment enterprises in Hanoi with the number of 145 questionnaires. The number of valid votes collected is 121, reaching 83.45% to verify the reliability of the scales in the questionnaire. Basically, the ques-

tionnaire is accepted, Cronbach's Alpha coefficients of the scales is greater than 0.6, which is reliable, Corrected Item-Total Correlation is greater than 0.3, which is satisfactory (Nunnally, 1978). Questionnaires only have to change the order of some questions to make it easier for the respondents.

After completing the questionnaire, the author conducts official quantitative research. In this study, there are 33 observations, so the minimum sample is $33 * 5 = 165$ (Hair et al., 1998). Under the support of MOLISA, VGCL, VITAS, Vinatex, VCA, questionnaires were sent to 182 garment enterprises and received responses from 176 enterprises. In each enterprise, the author sent 3 - 6 questionnaires to employers, employees and union officials. Number of questionnaires issued is 994, the number of votes collected is 807 of which 775 valid votes (77,96%). These votes, after cleaning, are entered into Excel files and processed by the SPSS 21 and AMOS 21 analysis tools to: Verify the reliability of the scale through Cronbach's Alpha coefficients to eliminate variables with low correlation low ($<0,3$); EFA analysis to remove factors of low significance ($<0,5$); CFA analysis to checks the model's measurement of factors affecting the implementation of SD at enterprises and SEM model analysis to check the appropriateness of the model of the factors affecting the implementation of SD at enterprises.

5. Research results

5.1. Descriptive statistics of research samples

Among 176 garment enterprises surveyed, the number of valid questionnaires collected was 775, including 258 questionnaires for employers, 262 questionnaires for employees and 255 questionnaires for union officials. The statistical results are described in detail as follows:

(i) Gender

The majority of employees working in garment enterprises are female workers, accounted for 76,7%. Meanwhile, male workers accounted for 23,3%. Managers in garment enterprises are mostly women, accounted for 65,1%. The proportion of managers who are men accounts for 34,9%. The proportions of men and women holding the position of trade union officers in garment enterprises are quite similar, in which men accounting for 47,4% and women accounting for 52,6%.

(ii) Education level

Workers with high school degrees accounted for the largest proportion with 49.6%, followed by intermediate and vocational training, accounting for 33.1%. Workers with college degrees account for 13.5% while undergraduate and postgraduate degrees are only 2.7%. Emphasize that garment enterprises still employ workers who graduated from secondary school at a rate of 3.8%. For managers, only 20.2% graduated from university and higher education, 31.2% graduated from high school, vocational training, and at most 48,6% graduated from college. Currently, trade union officers at garment enterprises graduated mainly from intermediate school, vocational training and college with the rate of 43.5% and 32.5%. A small number of employees graduated from university and postgraduate degrees is 5%, mainly full-time employees in large enterprises, recruited to perform trade union duties. The remaining 19% of union officials graduated from high school. They mainly hold the position of union leader and are very enthusiastic and active in union activities who are trusted and recommended by workers.

(iii) Income of employees

The garment workers with the income from 4,5 million VND to 6 million VND accounts for the largest proportion of 46.2%, those with income from 6 million VND to 7,5 million VND accounts for 35.9% and the workers with income over 7,5 million VND accounts for 6.9%. Noticeably, there are still workers with very low income, specifically those with income from 3 million VND to 4.5 million VND accounts for 10,5% and the workers with income less than 3 million VND is 0.5%. The survey results are completely consistent with the survey of Oxfam and CDI (2018) on the income of workers in the garment industry today.

(iv) Size and type of enterprises

The survey results of employers show that large-scale enterprises account for 24.4% and small and medium-sized enterprises account for 75.6%. The survey results are completely consistent with the actual situation of the current scale of Vietnamese garment enterprises. Most of the surveyed garment enterprises are domestic enterprises (accounting for 85.8%) of which the majority are private enterprises

and equitized enterprises from state-owned enterprises. The percentage of foreign-invested enterprises accounts for 14.2%.

5.2. Scale's reliability

Cronbach's Alpha's values $> 0,8$, are considered good scale; from $0,7$ to $0,8$ are usable scale (Peterson, 1994); Removing observed variables with Corrected Item-Total Correlation that is smaller than $0,3$; The scale can be chosen when the reliability of Cronbach's Alpha is greater than $0,6$. The greater the Cronbach's Alpha coefficient, the higher its reliability (Nunally & Bumstein, 1994; Tho & Trang, 2009). Combination of the reliability of the scales: LL, MLA, SLR, CC, SD all satisfy Cronbach's Alpha coefficients and Corrected Item-Total Correlation. Specifically:

(i) The reliability of the labor law scale: variables in the LL scale have Cronbach's alpha coefficient = $0,768 > 0,6$, which is reliable. The lowest Corrected Item-Total Correlation reached $0,483$, which is also higher than $0,3$, showing that the observed variables are used to analyze discovery factors EFA.

(ii) The reliability of the scale of management capacity of labor authorities: variables in the MLA scale have Cronbach's Alpha coefficient = $0,765 > 0,6$, which ensures reliability. The lowest Corrected Item-Total Correlation reached $0,529$, which is higher than $0,3$, showing that the observed variables are used to analyze the discovery factor EFA.

(iii) The reliability of the scale of capacity of subjects in LR: variables in the SLR scale have Cronbach's Alpha coefficient = $0,809 > 0,6$ (after removing the observed variable SLR6), this ensures high reliability. The lowest Corrected Item-Total Correlation reached $0,561$, which is higher than $0,3$, showing that the observed variables are used to analyze the discovery factor EFA.

(iv) The reliability of the corporate culture scale: the variables in the CC scale have Cronbach's alpha coefficient = $0,832 > 0,6$ (after removing the observed variable CC4), which ensures high reliability. The lowest Corrected Item-Total Correlation reached $0,582$, which is higher than $0,3$, showing that the observed variables are used to analyze the discovery factor EFA.

(v) Reliability of implementing SD at enterprises scale: variables in the SD scale have Cronbach's Alpha coefficient = 0,775 > 0,6 (after removing observed variables SD9, SD10, SD12, SD14), which ensures reliability. The lowest Corrected Item-Total Correlation reached 0,482, which is higher than 0,3, showing that the observed variables are used to analyze the discovery factor EFA.

Through testing the reliability of the scale and factor analysis, the remaining 5 factors are: LL factor (LL3, LL4); MLA factor (MLA1, MLA2, MLA3, MLA4); SLR factor (SLR1, SLR5, SLR4, SLR2, SLR3); CC factor (CC2, CC3, CC5, CC1); SD factor (SD1, SD13, SD2, SD11, SD5, SD8) (See Table 8).

Table 6: Summary of results evaluating the scale's reliability

| Definition | Remaining observed variables | Reliability | | Values |
|--|------------------------------|------------------|----------------------------------|-----------|
| | | Cronbach's Alpha | Corrected Item-Total Correlation | |
| Labor law | 4 | 0.768 | 0.483 | Qualified |
| Management capacity of labor authorities | 4 | 0.765 | 0.529 | |
| Capacity of subjects in LR | 5 | 0.809 | 0.561 | |
| Corporate culture | 5 | 0.832 | 0.582 | |
| Implementation of SD | 10 | 0.775 | 0.482 | |

(Source: Synthesized results from SPSS analysis 21)

Thus, after testing the reliability of the scales, the observations that do not guarantee the reliability are eliminated: SLR6, SD9, SD10, SD12, SD14.

5.3. Exploratory Factor Analysis EFA

The first time of EFA analysis for groups of factors, the results show that KMO = 0,858 > 0,5, Sig of test Bartlett's = 0,000, which all meet the requirements. However, the types of observed variables: SD6, LL1, LL2 do not satisfy the factor loading > 0.5. The second time of analysing EFA, the results are as following: KMO coefficient = 0,833 > 0,5, sig = 0,000 < 0,05.

The data is suitable for exploratory factor analysis EFA, sig < 0,05, so it can be assumed that the observed variables are correlated with each other. The proposed factors explain 58,862% > 50% and Eigenvalues reached 3,793 > 1, satisfying the requirement.

Table 7: KMO and Bartlett's Test

| | | |
|-----------------------------------|--------------------|----------|
| | | 0.833 |
| KMO Bartlett's Test of Sphericity | Approx. Chi-Square | 7014.000 |
| | df | 435 |
| | Sig. | .000 |

(Source: Synthesized results from SPSS analysis 21)

Table 8: Pattern Matrixa

| | Factor | | | | |
|------|--------|------|------|------|------|
| | 1 | 2 | 3 | 4 | 5 |
| SLR1 | .727 | | | | |
| SLR5 | .726 | | | | |
| SLR4 | .687 | | | | |
| SLR2 | .645 | | | | |
| SLR3 | .623 | | | | |
| CC2 | | .872 | | | |
| CC3 | | .747 | | | |
| CC5 | | .722 | | | |
| CC1 | | .653 | | | |
| MLA2 | | | .702 | | |
| MLA3 | | | .676 | | |
| MLA1 | | | .663 | | |
| MLA4 | | | .633 | | |
| SD1 | | | | .664 | |
| SD13 | | | | .589 | |
| SD2 | | | | .577 | |
| SD11 | | | | .562 | |
| SD5 | | | | .545 | |
| SD8 | | | | .531 | |
| LL3 | | | | | .824 |
| LL4 | | | | | .753 |

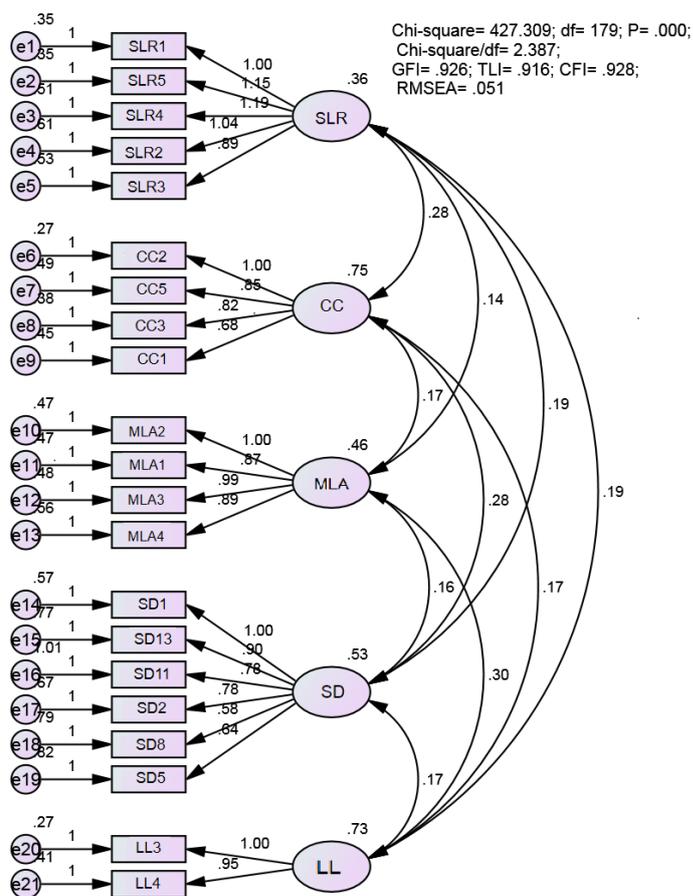
(Source: Synthesized results from SPSS analysis 21)

5.4. Confirmatory factor analysis CFA

The CFA results of the model have a degree of freedom of 179, the value of the Chi-squared values



= 427,309 with the value $p = .000$. Other indicators: Chi-squared / $df = 2,387$, GFI = 0,926 TLI = 0,916, CFI = 0,928 (See Figure 2) are all higher than 0,9 (Bentler & Bonett, 1980), RMSEA = 0,051 < 0,08 (Steiger, 1990), this may infer that the model is considered to be suitable for the market data and gives us the necessary and sufficient conditions for the observed variables to achieve unidimensional.



(Source: Synthesized results from SPSS analysis 21)

Figure 2: Results of confirmatory factor analysis (standardized)

Convergence value: The weights (standardized) > 0,5, proving that the scale of the concepts has convergence value.

Discriminant value: The correlation coefficient between the research concepts in the model are both positive and < 1, different from 1; P-values are very small and < 0,05, so the correlation coefficient of each pair of concepts differ from one in 95% confi-

dence. Therefore, the research concepts in the model have gained discriminant validity.

5.5. Results of model testing and research hypotheses

5.5.1. Results of the research model

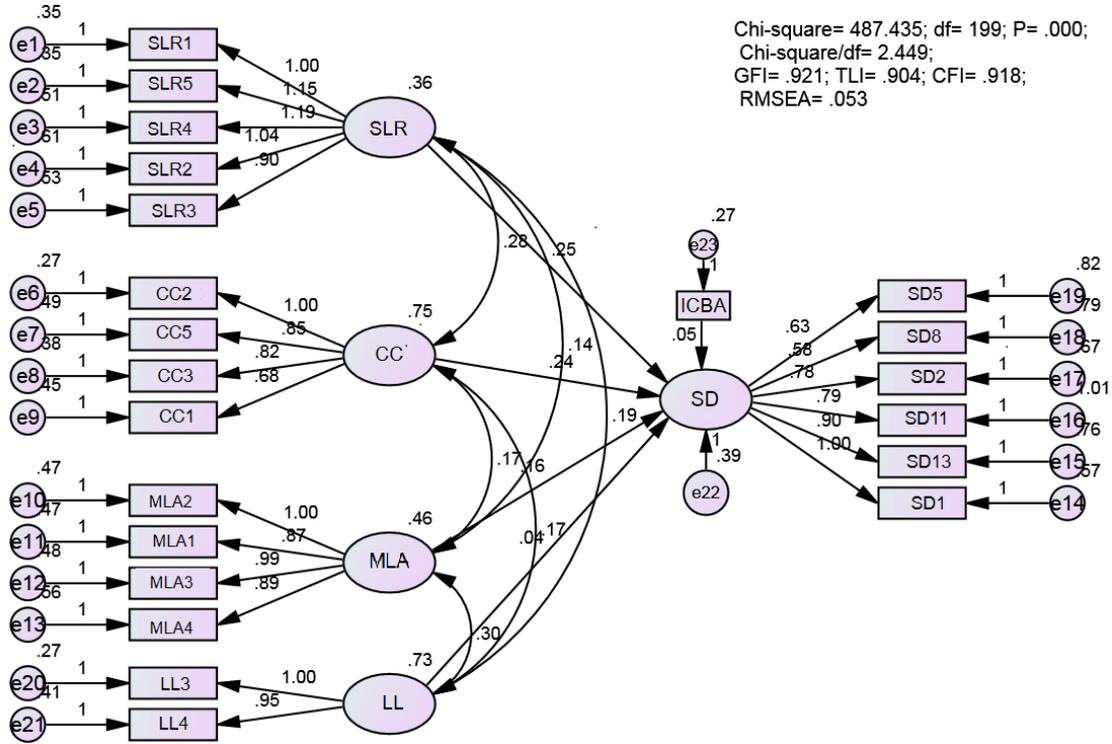
After running AMOS 21 software, we obtained the SEM model (See Figure 3).

Through the SEM model we see that the theoretical model has a degree of freedom of 199, Chi-squared = 487,435 with $p = .000$. Other indicators: Chi-squared/df = 2,449, GFI, TLI, CFI are > 0,9 (Bentler & Bonett, 1980), RMSEA = 0,053 < 0,08 (Steiger, 1990), indicating that this research model is compatible with market data.

5.5.2. Results of hypothesis testing

SEM analysis results show that there are 5 factors that affect the implementation of SD in garment enterprises in Vietnam, including: Capacity of subjects in LR, corporate culture, Management capacity of labor authorities, labor law and CBA of textile and garment industry. All 5 factors reached the significance level of 5% due to P-value < 0,1. The regression weights all have positive signs with the variables SLR, CC, MLA, LL and ICBA, showing that the capacity of subjects in LR, corporate culture, management capacity of labor authorities, labor law and CBA of textile and garment industry has a positive influence on the implementation of SD at garment enterprises in Vietnam (See Table 9).

Through testing the reliability of the scale, EFA analysis, CFA analysis, SEM model it confirms that the model is considered to be consistent with market data and the variables: Capacity of subjects in LR, corporate culture, management capacity of labor authorities, labor law all have positive impact on the implementation of SD and CBA of textile and garment industry that controls the implementation of SD at garment enterprises in Vietnam.



(Source: Synthesized results from SPSS analysis 21)

Figure 3: Modified SEM model

Table 9: Regression Weights

| | | Estimate | S.E. | C.R. | P |
|----|----------|----------|------|-------|------|
| SD | <--- SLR | .248 | .085 | 2.929 | *** |
| SD | <--- CC | .236 | .055 | 4.271 | *** |
| SD | <--- SMA | .158 | .074 | 2.142 | *** |
| SD | <--- LL | .152 | .057 | .725 | *** |
| SD | <--- CBA | .131 | .065 | .789 | .003 |

(Source: Synthesized results from SPSS analysis 21)

Thus, all 5 initial hypotheses are accepted, all factors positively impact the implementation of SD at enterprises.

6. Discussion of research results and recommendations

6.1. Discussion of research results

The regression weights in Table 9 show that capacity of subjects in LR has the strongest influ-

Table 10: Testing hypotheses

| Hypotheses | Result |
|--|----------|
| H1: Labor law has a positive influence on the implementation of SD at enterprises | Accepted |
| H2: Management capacity of labor authorities has a positive influence on the implementation of SD at enterprises | Accepted |
| H3: Capacity of subjects in LR has a positive influence on the implementation of SD at enterprises | Accepted |
| H4: Corporate culture has a positive influence on the implementation of SD at enterprise | Accepted |
| H5: Industry's CBA control the implementation of SD at enterprise | Accepted |



ence with the value of the standardized weight of 0,248; followed by the corporate culture with the weight of 0,236; followed by management capacity of labor authorities with weight of 0,158; Labor law variable is weighted 0,152 and CBA of textile and garment industry control variable has a weight of 0,131. The linear regression equation representing the relationship between the variables in the model is as follows:

$$SD = 0,248.SLR + 0,236.CC + 0,158MLA + 0,152.LL + 0,131.ICBA$$

Therefore, it can be concluded that the internal factors are capacity of subjects in LR and corporate culture have a stronger impact on the implementation of SD than the external factors, which are the management capacity of labor authorities and labor law. The control variable included in the model, which is ICBA, is statistical significance at the 95% confidence level (P-value values are all lower than 0.05). Thus, the CBA of textile and garment industry has a positive impact, in particular when the enterprises participate in the CBA of textile and garment industry, the implementation of SD at garment enterprises has better outcomes. This is a new finding of the study. This result is completely consistent with the study of Shenoy (2003), Norad (2011), Broughton (2008), Baccaro & Heeb (2011), Binh (2014), Voss et al (2009), which assume that capacity of subjects in LR has the positive impacts on the implementation of SD at enterprises; Sivananthiran & Ratnam (2004), Tiep (2008), Ngan & Uyen (2016) affirmed that corporate culture has a positive impact on implementation of SD at enterprises; Nhan (2014), Binh (2014), Tiep (2008), Thanh (2015), Phuc (2012) found that the management capacity of labor authorities positively affects the implementation of SD at enterprises; Muskhelishvili (2011) and Broughton (2008) identified that labor law has a positive impact on the implementation of SD at enterprises and Nhan (2014), Eurofound (2019), Markova (2004) said that the legal framework in industries affecting the implementation of SD at enterprises.

6.2. Recommendations to improve the influencing factors to promote social dialogue at garment enterprises in Vietnam

6.2.1. Enhancement of capacity of subjects in labor relations to create a foundation for a favourable social dialogue

Due to limited qualifications, educations, knowledge of labour law and job pressure, the position of workers at garment factories are much lesser than employers. Therefore, in order to affirm and strengthen their own position, employees at garment enterprises need to be equipped with basic knowledge of labor law in order to protect themselves against the employer in the LR. Moreover, employees need to practice dialogue skills and have an attitude of respecting the labor law, seriously implementing commitments between the parties.

In order to correctly perform the rights and responsibility in the LR, managers at garment enterprises need to have an understanding of labour law and SD. In addition, managers in garment enterprises need to strengthen their SD skills; The employer's attitude of respect, cooperation, and goodwill will determine the success of SD. Creating favourable conditions in terms of time and work to allow grassroots trade union to contact employees and enterprise managers to resolve problems between parties in the working process; Restricting discrimination and interference in the operation of the grassroots trade union, especially in financial and human resources matters so that the grassroots trade union can take the initiative in all activities and attract union members.

Currently, the capacity of trade union officers at garment enterprises is limited and mostly concurrent. Thus, it is not possible for trade union to truly represent for employees, to protect their rights and interests. In order to improve their organisational capacity, first of all, grassroots trade union officers need to be equipped with knowledge of labor law, trade union law and related sub-law documents; Training is crucial to

improve the professional qualifications of the trade union and especially to raise awareness and understanding of the functions, duties and roles of their organisation to employees. When supporting employees to participate in SD, grassroots trade union officials need to have skills in dialogue and know-how to build credibility and confidence for employees and employers. In addition, it is necessary to create a good relationship with employers and reform the union's operation in order to take better care of employees' lives and attract a large number of union members. Utilising the support of the Vietnam textile and garment trade unions and VITAS to promote the activities of enterprises. Increasing counseling and supporting trade union members in establishing harmonious LR at enterprises.

6.2.2. Establishing and developing cultures at garment enterprises to catalyze real and effective social dialogue

Most of the employees in the garment enterprises have peasant background, so they are pure and heavily influenced by the peasant ideology such as: high freedom, difficult to adapt to the labor discipline in industrial factories; Appreciating the short-term interests of individuals over the long-term interests of the business; Respecting family and customs of the community and be willing to quit if needed. As for the employers, there is a psychology of fear of losing their rights, losing business secrets, and losing the power of the manager. This makes the dialogue activities take place in a formal and ineffective way, creating a "fake" peace in the relationship between parties at the enterprise. In addition, the influence of multicultural phenomenon in foreign-invested enterprises has weakened national identity in corporate culture, reduced management efficiency as well as caused obstacles for the implementation of social dialogue in enterprises. Therefore, garment enterprises should develop a substantial and meaningful cultural value for employees, focusing on the employees' mentality of appreciating their families to affect

their perception and behavior. Business leaders need to have a strong commitment to consider each employee as a member of the business, benefiting from the long-term cohesion and development achievements of the business. From there, improving thinking, awareness and helping employees to have a spirit of initiative and a sense of responsibility at work. Developing corporate culture requires the efforts of the parties in the LR to preserve traditional values and promote the good values of the business, creating the cohesion and closeness of the employee to form a culture of dialogue for subjects to choose dialogue as a means of preventing, minimizing and resolving labor disputes instead of spontaneous reactions causing instability in LR at garment enterprises.

6.2.3. Enhancing capacity and increasing participation of management labor authorities in social dialogue at garment enterprises

The current management labor authorities have been strengthened and promoted. However, the implementation of the role of management labor authorities on SD still shows various limitations. In which, these agencies mainly stop at the guidance of dialogue and collective bargaining in accordance with the law, instead of supporting training, consultation and capacity building for subjects participating in the dialogue. In addition, mediators, arbitrators and labor inspectors lack the mediation and arbitration skills to be able to support the parties effectively. Sanctions for violations are not deterrent enough. The guidance, implementation, amendment and supplementation of legal provisions related to CBA is not timely and specific. Therefore, in the future, the management labor authorities should strengthen the entire apparatus and improve the capacity of state management staff on labor, focusing on strengthening the entire labor management apparatus at all levels and strengthening training, fostering and improving the quality of staff.

In addition, local labor management agencies need to increase their participation in SD at garment enterprises to ensure that dialogue occurs substan-

tially, effectively and in compliance with legal regulations. Specifically, strengthening the propaganda and dissemination of laws, guiding the implementation of SD at garment enterprises and enhancing the inspection and examination of the implementation of policies and laws on consultation and compliance mechanisms of labour contract and CBA in enterprises to ensure State power in the implementation of the labor law. Intermediary forces such as mediators and labor arbitrators need to be ready to assist the parties in case the results of dialogue have not come to success.

6.2.4. Internalizing the labor law and bringing it into practice to promote social dialogue at enterprises

The current legal system of SD in Vietnam has undergone fundamental changes and continued to be improved to suit the development of the society. However, there are still some shortcomings such as: The system of legal documents for legal guidance is still quite cumbersome; Equal rights between employees and employers are not ensured in the LR especially the right to unilaterally terminate the labor contract; There are no documents under the Law guiding the implementation of a number of provisions related to information exchange mechanisms, consultation, information control and guiding documents, regulating the establishment of representative organizations of employees outside grassroots trade union. The role of the grassroots trade union and the labor state management agency in supporting and assisting the parties in the negotiation process is not yet regulated; There are no regulations on sanctions against enterprises that do not conduct CBA and signing a CBA. Therefore, the key issue at the moment is to put the labor law on SD into practice and ensure internal law of basic international labor standards to facilitate promotion of SD at enterprises. In which, emphasizing law improvement on consultation and cooperation of the two parties at the workplace, bringing the law on labor contracts into practice at enterprises in the context of the

revised Labor Code (2019) that has just been approved by the National Assembly and quickly issued sub-law documents guiding the implementation of the collective bargaining.

6.2.5. Encouraging and broadening the scope of participation in the collective bargaining agreement of the textile and garment industry

Garment is the first industry in the nation to sign a CBA with the expectation that the CBA is "the end of illegal strikes" and is the foundation to build a harmonious LR at the enterprise. Till now, the CBA of Textile and Garment Industry has been signed for the 4th time, including 81 enterprises, covering 116833 employees (MOLISA, 2018). By the end of 2018, the enterprises participating in the CBA sector did not have any labour disputes or strikes (VTGU, 2018). Implementation of the provisions of the labor law on dialogue is also guaranteed. However, the number of units participating in CBA sector is very few (81/nearly 6000 garment enterprises). Besides, the trend of businesses participating is decreasing and it does not have a spreading effect for other businesses in the sector. The cause of this situation is due to: the limited promotion of negotiation and signing of the industry's CBA. Some contents and targets in the industry agreement are quite general, for some businesses these criteria are even higher than their ability to meet the requirements. The spread of non-member businesses is not high, thus failing to create incentives for businesses to participate in the industry's CBA (MOLISA, 2018). Therefore, in the future, the Vietnam textile and garment trade unions needs to propagate and disseminate the benefits of CBA of textile and garment industry towards ensuring a better life of all employees in the industry and contributing to stabilizing and developing harmonious LR at workplace. The Vietnam Textile and Apparel Association encourages garment business owners to consider joining the garment industry's CBA as a basis for minimizing conflicts that stabilize LR at enterprises. Labor state management agencies need to create

favorable conditions for the Vietnam textile and garment trade unions and the Vietnam Textile and Apparel Association to negotiate and sign the sector-level CBA. Through labor management agencies at the local level, raising awareness about the benefits of the industry's CBA and encouraging participation in the industry's CBA for employers in garment enterprises. At the same time, it is necessary to widen the scope of participation in CBA for all garment enterprises in the industry to create opportunities for garment enterprises to access the legal framework of LR in the industry, contributing to promoting social dialogue and stabilising LR at garment enterprises.

7. Conclusion

Harmonious, stable and progressive LR development is a goal that our Party and State pay special attention to in the current international integration context. In which, SD is the "key" to building a good LR. Therefore, promoting SD in enterprises in general and garment enterprises in particular is one of the activities that need to be focused on in order to minimize and prevent labor disputes and strikes at garment enterprises in Vietnam. Through a survey of 176 garment enterprises, the authors have outlined an overall picture of the impact of environmental factors on the implementation of SD at garment enterprises in Vietnam, and identified the internal factors that have more impact on social policy implementation than external factors. The study also found that the industry's CBA controls the implementation of SD. At the same time, the research results also create an important premise for the orientation of the next research on the factors affecting the implementation of SD at enterprises in other sectors and fields in order to help businesses comes up with suggestions to improve the environmental factors to facilitate and substantially and effectively implement SD, thereby contributing to building healthy and progressive LR at the enterprise. ♦

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Summary

Nghiên cứu nhằm phân tích tác động của các yếu tố môi trường đến đối thoại xã hội trong các doanh nghiệp may mặc ở Việt Nam. Dữ liệu được thu thập từ 176 doanh nghiệp may mặc thông qua bảng câu hỏi đã thiết kế. Nghiên cứu sử dụng SPSS và AMOS phiên bản 21 để phân tích thống kê mô tả, kiểm tra độ tin cậy của các phép đo, phân tích các yếu tố EFA và CFA, phân tích mô hình SEM, kiểm định 04 giả

thuyết kế thừa từ các nhà nghiên cứu trước và 01 giả thuyết được đề xuất trong bối cảnh nghiên cứu tại Việt Nam. Kết quả nghiên cứu cho thấy các giả thuyết nghiên cứu được chấp nhận và các yếu tố ảnh hưởng đến việc thực hiện đối thoại xã hội trong doanh nghiệp may là luật lao động, năng lực quản lý của cơ quan quản lý lao động, năng lực chủ thể quan hệ lao động, văn hóa doanh nghiệp và thỏa ước lao động tập thể ngành may. Trong đó, năng lực của chủ thể quan hệ lao động có tác động mạnh nhất đến đối thoại xã hội tại các doanh nghiệp may ở Việt Nam. Đồng thời, nghiên cứu cũng gợi ý một số giải pháp để các doanh nghiệp may mặc thúc đẩy đối thoại xã hội trong bối cảnh hiện nay.

NGUYEN THI MINH NHAN

1. Personal Profile:

- Name: *Nguyen Thi Minh Nhan*
- Date of birth: 24th August 1976
- Title: Associate Professor
- Workplace: Thuongmai University
- Position: Dean of Human Resource Management Faculty

2. Major research directions:

- State management of labor
- Managing human resource
- Labor relations
- Social responsibility
- Modern management models

3. Publications the author has published his works:

- Journal of Commercial Science
- Economic Management Magazine
- Journal of Economics and Forecasting
- Journal of Labor and Social Affairs
- Industry and Trade Magazine