

Guaranteed the welfare for enterprises employees in Vietnam

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ABSTRACT

Welfare for employees in enterprises are material benefits and mental benefits of business for employees (in addition to wages, salaries, bonuses) are allocated according to the enterprise's regulations and regulations to share and support employees in certain situations and encourage employees to dedicate with business beside to wages, corporate welfare has an important role to ensuring the lives of workers; Labor productivity is enhanced, businesses will keep qualified workers contribute to the economic development of the business each country.

In the process of international integration, the implementation of social welfare for employees in enterprises in Vietnam has achieved important results. However, the implementation of social welfare for employees in enterprises in Vietnam still has certain limitations. Therefore, continuing to research to provides additional scientific grounds for policy decisions to improve social welfare for employees in enterprises in Vietnam is an urgent thing today.

Keywords

The welfare, enterprises, employees, sustainable development, Vietnam

Introduction

In the process of international integration, ensuring social welfare in general, and ensuring the welfare of employees in enterprises in particular is one of the most important goals in Vietnam today (curbing inflation, stabilizing macroeconomic regulations, ensuring social security, and sustainable growth firm). Therefore, in the process of socio-economic development, Vietnam always determines that investment in social welfare is investment in people, investment in development, and social welfare has become the driving force. Contribute to economic development and sustainable growth. However, with the difficult changes of the domestic and international economic situation at present due to the impact of economic crisis, epidemics, natural disasters... the number of unemployed people tends to increase. In such a context have a question is how the role and responsibility of the business system in working with the State and the community to solve the social welfare issue of the country well. Implementing social welfare for employees in enterprises is a basic and indispensable content in corporate social responsibility. Corporate social responsibility is a fairly old issue for developed countries, but it's still relatively new and it is being paid attention in Vietnam today. According to the World Trade

Council, "corporate social responsibility is a commitment to ethical conduct and contribution to economic development, while improving the quality of life of a business. the workforce and their families, as well as that of the local community and society at large ". Although there can be many different interpretations, it can be understood that corporate social responsibility includes four components: 1) market and consumer responsibility; 2) responsibility for environmental protection; 3) responsibility to workers and 4) responsibility with the community. According to the author, it is possible to group responsibilities (3 and 4) to form corporate social welfare responsibility. With this approach, it can be understood that the corporate responsibility to implement social security is the company's responsibility in implementing social insurance and social support for employees and the community, and is inevitable, regularly. It comes from the need for the existence and development of the business and is regulated by the policies and laws of the state, not just a help, generosity, and charity of the business and businessmen for some disadvantaged groups in society such as: disabled people, orphans, flood victims... movement. Enterprises implementing social welfare are not only charitable activities, helping the community, but it is also the enterprise's commitment to contribute to sustainable economic development,

through care to improve high quality of labor and life for employees, for the community and for the whole society. The phenomenon of whether the business satisfies or does not satisfy the following conditions: Social insurance; Health insurance, salary and bonuses; labor training; The right working conditions... for the employees, or the commitments to the community where the business is located... recently mentioned by the media are quite a few aspects to evaluate, whether the business has performed well on its social welfare or not. Social welfare is an important and indispensable content in corporate social responsibility, capable of contributing to the sustainable development of the economy, while not contradicting economic interests corporate profits. Because when businesses perform well social security will contribute to increase labor productivity, efficiency and profitability, improve competitiveness, increase productivity, promote sustainable development. Moreover, it also plays an important role in promoting businesses to increasingly implement national and international standards on working conditions, supporting the community... implementing social security means they will better ensure their rights, dignity, ensure employment and increase income, help employees improve their education, professional skills... Industry will create a team of employees who are attached, love their work, are proud of the company and work hard for the common benefit of the "big family".

Two research questions are revealed as following:

Question 1: What is the reality of implementing social welfare in enterprises in Vietnam today?

Question 2: What should be done to promote social welfare in businesses in Vietnam in the present?

Literature Review

The first thing is the work "*Social policy and globalization*" by Bruno Palier, Louis-Charles Viossat (editor), National Political Publishing House, Hanoi, 2003. The work analyzes the rationale around the issue of "Social risk management", risk management strategies, and risk management models. Thereby, the project affirms: "Good risk management can contribute to promoting economic growth... if risk management

is not effective, it can inhibit economic growth". At the same time, the author offers solutions to ensure retirement social security. (Bruno & Louis, 2003: 66-67).

The book "*Economic Growth and Social Welfare; Operationalizing Normative Social Choice Theory*", by Clark, M. and Islam, S, Victoria University, Australia, 2004, has studied social security policy based on the theory of social choice. The book analyzes Thai case in the period 1975 - 1999 to illustrate research theory.

The project "*Social security system of EU and lessons for Vietnam*", by Dinh Cong Tuan, Social science Publishing House, Hanoi, 2008, has analyzed an overview of the social security system of Europe in general and some typical countries in the social security system reform process: the model "social school "of Germany, "free market" model of the UK; model of "democratic society" of Sweden. The work also shows the successes, limitations and trends of reforming the social security system of some European countries and draws lessons for Vietnam.

"*Addressing social security in Thailand, Malaysia, the Philippines and lessons for Vietnam*", by Nguyen Duy Dung, Social sciences Publishing House, Hanoi, 2015, the author has analyzed the history of formation and development of social security policies in Southeast Asian countries, thereby drawing lessons for Vietnam in the process of perfecting social security policies to ensure social justice.

Inheriting the above works, the article analyzes the implementation of social security in Vietnam in the process of international integration, thereby providing more scientific bases as a basis for the Government's decisions to create a breakthrough in the country's socio-economic development towards sustainable growth.

Methods

To do the research, the author uses qualitative research methods and explanatory methods. Qualitative research method: Based on the theory and model from previous studies to collect information, then analyze the real situation of

social security implementation for employees in enterprises Vietnam. Textual analysis was employed to analyse and interpret the content of the novel.

Besides, the article uses a combination of research methods, such as historical and logical methods, comparison and comparison, analysis and synthesis, inductive and interpretation, statistical methods from the sources references to serve in research and presentation.

Results

1. Reality of implementation of welfare for enterprises employees in Vietnam in recent years

Regarding social security for employees of enterprises, the law of our country stipulates that enterprises are allowed to set up a reward fund and a welfare fund from the enterprise's profits to be used for rewarding and encourage material benefits, serve the needs of public welfare, improve and enhance the material and spiritual life of employees. The appropriation of the corporate social welfare fund and the tax incentives in setting up the welfare fund are specified in the Law on Corporate Income Tax, dated June 3, 2008 and the Law amending and supplementing a number of articles of the Law on Corporate Income Tax, dated June 19, 2013. Clause 4, Article 1, Decree No. 91/2014/ND-CP, dated October 01, 2014, of the Government, amending and supplementing a number of articles in tax decrees, regulating calculated expenses security substances directly spent on employees and enterprises have invoices and vouchers according to regulations shall be deducted when determining taxable income; the total expenditure must not exceed 1 month of the actual average salary paid in the tax year.

Specific social security contents of each enterprise are recorded in the collective labor agreement, signed by the representatives of the employees collective in the enterprise with the employer and both parties are responsible. The labor law of our country stipulates that the collective labor agreement is a written agreement between the representatives of the employees collective and the employer on the rights, obligations and

responsibilities of the two parties labor system. The agreement is reached through negotiation and agreement of the representatives of the employees collective with the employer on the distribution of corporate welfare, contributing to building a harmonious and stable labor relationship in the enterprise reducing conflicts and inequality limit spontaneous strikes.

The system of enterprises, production and business organizations in Vietnam is very diverse, ranging from scale, technology level, vision, production and business lines to seniority in the market. The implementation of social security in enterprises is also very different from the structure, the number of security payments to the level of coverage and frequency of these activities. From the reported data of the authorities as well as the analysis and synthesis of media information and practical surveys in some enterprises, it is possible to generalize the situation of the implementation of welfare for employees. The business is as follows:

First, the development of internal regulations and regulations governing the distribution of corporate welfare.

Most businesses develop and issue a system of regulations and regulations governing welfare allocation as well as other activities related to the interests of employees such as labor regulations, recruitment regulations, and employment, salary payment, bonus payment, wage increase, collective welfare, occupational safety and health, environmental protection, fire prevention, emulation, commendation, discipline and regulations, other internal regulations relating to employees. Large, long-standing and advanced enterprises with advanced corporate governance systems all promulgate and implement regulations and regulations governing welfare allocation. The number of enterprises that have not yet been issued are mainly small and micro enterprises or newly established enterprises. The system of rules and regulations is the basis and basis for businesses to implement the welfare regime for employees.

Second, perform the basic, minimum security for workers.

In addition to the salary income, the employee named in the salary list is entitled to receive amounts (with cash value or equivalent gifts) on holidays and New Year. In addition, in some businesses, employees are also provided with lunch allowances, parking costs and other allowances such as mobile phone costs... Depending on financial potential and business results, the "material value" of each of the above-mentioned welfare payments varies from business to business. Up to 95.7% of construction enterprises implement the subsidy, visit dead workers; 95.7% of businesses give gifts to employees getting married, give gifts to visit when employees get sick; 89.8% of enterprises provide subsidies for workers; 63.23% of enterprises implement the regime of visiting and paying homage to the "parents" of employees and their spouses when they die. Some other welfare regimes have a lower rate of businesses. For example, there are 40.6% of enterprises in construction industry giving rewards and giving gifts on April 30th; 43.81% of businesses give bonuses on 1-5; 43.58% of enterprises give bonus on September 2; 41.74% of enterprises give gifts on New Year's Day; 33.72% of businesses give gifts on Hung Vuong death anniversary; Only 21.2% of businesses did it for the employee's birthday; giving gifts to motivate employees' children to study, during holidays, the number of enterprises doing it ranges from only 10% to 25% (Nguyen, 2019)

Third, ensure working conditions of employees.

Enterprises generally try to comply with the provisions of the law, ensuring working conditions in lighting, ventilation, sanitation, drinking water, bathrooms, toilets... Some enterprises, most are enterprises with foreign investment (FDI), building spacious clean canteen, well-organized, subsidized or free shift meals for employees. The collective representative of the employees in the enterprise actively promotes its role, struggles, negotiates and deals with the leaders and managers of the enterprise on issues related to working conditions, occupational safety and sanitation moving; ensure better working conditions and more favorable to the employees than the provisions of the law.

For example, Hai Phong has 11 industrial zones operating with hundreds of businesses and over 130,000 employees; There are 112 units that organize shift meals with an average meal rate of 23,400 VND / person / meal; 87 units have established an inspection team and organize to monitor the quality of meals regular and irregular shifts, monitoring the quality of input food to food distribution, ensuring nutrition, hygiene... (Pham, 2020)

In the construction industry, enterprises actively invest in modern construction machinery and equipment, apply many advanced measures and technologies, improve working conditions, and increase labor productivity. Workers are basically equipped with the right kind of personal protective equipment according to job requirements. The survey data showed that 84% of enterprises arranged workers cafeterias and organized shift meals for employees, ensuring food quality, hygiene and safety, of which, 96.7% businesses with shift meals from 15,000 VND or more; Over 70% of enterprises conduct periodic health checks for employees (Nguyen, 2019).

Fourth, implementing welfare through training activity, cultural, sports and entertainment activities for employees.

Training courses in enterprises include internal training, such as skills training, on-demand training, listening to cultural and behavioral topics, life skills; training to improve the expertise, profession, and management skills performed by experts and professional training units from the enterprise's budget. Some businesses also have training regimes staff to be ready to inherit positions from unskilled workers to technicians, from employees to managers... Even in the case the company does not provide internal training, no costs sending workers for professional training or retraining but with goodwill and favorable scheduling for employees to attend classes can also be considered a welfare regime. In fact, besides the salary, every employee has the need for professional development. Employees always appreciate the workplace, allowing them to continuously improve and develop their capabilities and skills. Investing in human development contributes to the success of

the business. Visiting, traveling, vacationing, organizing cultural, artistic and sport activities is a popular form of collective welfare in enterprises. Through these collective activities, it will enhance the exchange and connection between employees; share common values of the business and contribute to forming the culture of each business. The survey of the Trade Union of the construction industry shows that over 76% of the enterprises of the industry organize annual vacation for employees. In Hai Phong, Hai Phong Economic Zone Trade Union cooperated with Yamaha Company to organize 9 annual football tournaments; cooperates with VSIP Co., Ltd. to organize the annual Workers' Day on the occasion of Worker's Month with activities such as flower arranging, tug of war, painting, color race, discount sales and entertainment festival, collection attract thousands of employees to participate. On average, every year, each enterprise here coordinates with the grassroots trade union to organize at least 2 cultural, artistic and sports activities to take care of the spiritual life for employees with diverse names such as talent festival, entertainment festival, gala, festival or sports tournament. These are healthy and rewarding playgrounds for workers.

Thus, from the analysis of the current situation of the implementation of welfare for employees in Vietnamese enterprises over the past years, some of the following assessments can be drawn:

(i) Social welfare for employees in enterprises in the market economy is a relatively new issue in Vietnam, so the institutions for management and regulation of corporate welfare have shortcomings and imperfections. Regulations on setting up a security fund are still quite simple, mostly arbitrary, can be done, neither is it okay, there are no specific regulations on the list of compulsory security as well as how to assign supplementary welfare. The inspection and examination of functional agencies (labor, invalids and social sectors) has not had much impact on regulating enterprises' violations in ensuring the welfare of workers.

(ii) Businesses implement social welfare differently and depends on many factors. There are businesses that do not implement basic and

minimum social welfare, even owe worker wages, evade social insurance, health insurance, unemployment insurance, and basic rights of workers in accordance with the law. Meanwhile, many businesses implement a regular welfare regime, ensuring both basic security as well as some advanced types of security for employees.

(iii) The level of social welfare spending of each enterprise depends firstly on its production and business results. The more efficient the business develops and the business, the more secure and regular the welfare regime, on the contrary, the unstable production and business enterprises, with little or no profit, do not have resources to set aside fund and implementation of corporate welfare. The representative organization of workers in the enterprise also plays an important role, where grassroots trade unions operate actively, fight to protect the interests of workers in negotiating, negotiating, and persuading business leaders and managers to sign labor agreements with specific terms, there, business security is done in order.

A factor that plays an important role in implementing social security for employees is leaders, managers, employers and employees. The leader in managing and using employees is thoughtful, capable, has a sense of compliance with the law, correctly evaluates the role of the employees in the development of businesses, often voluntarily comply with the law on corporate welfare; consciously use corporate welfare as a tool to promote, motivate and encourage employees to work for the sustainable development of the business. Another factor that also has an impact on the implementation of corporate security is the inspection and supervision of the authorities on labor and wages, in order to correct and rectify mistakes, and bring real jobs. Current welfare in each enterprise is in order, according to the provisions of the law.

In terms of type of enterprise, state-owned enterprises perform quite well and regularly the welfare regime; ensure basic and minimum security for employees. Most of the foreign invested enterprises are also able to implement the basic and minimum welfare. Some reputable and branded enterprises have diversified and rich

welfare regimes, including advanced welfare, through which, motivating, encouraging and retaining employees, especially employees leadership, management, high-quality labor. However, there are also enterprises that do not even carry out the basic and minimum rights of employees, not to mention the welfare for employees.

2. Solutions to promote implementation of social welfare in enterprises in Vietnam in the coming time

Social welfare for employees in enterprises contributes to attracting and assuring employees to work with peace of mind, building corporate culture, demonstrating corporate social responsibility. These are the fundamental factors that make up the value and brand of the business enterprises in a modern market economy, improving the competitiveness and operational efficiency of enterprises. Thus, investment in welfare is an investment in reproduction to expand human resources of an enterprise, investment in core values and image and brand name of the enterprise in the market. These are investments for the stable and sustainable development of the business. The leaders and managers of a business company will be aware of this in order not to fall into the immediate profit but to pay attention to the long-term development of the business. The source to set up the business welfare fund from profit, depends directly on the production and business results of each business. Therefore, the overall solution to develop business welfare is to improve the investment and business environment, and create favorable conditions and environments for businesses to develop. In addition, to promote the development of business welfare in Vietnam today, it is necessary to implement some of the following solutions:

Firstly, perfecting the institutional framework for social welfare management in businesses

Management institutions play a particularly important role. The institution of corporate welfare management in our country is still simple, mainly with discretionary provisions, recommendations, and few sanctions. There are no framework regulations on the use of corporate welfare. There are also contradictory provisions,

irrationality about setting up corporate security for different types of businesses. Popular content about corporate welfare in accordance with international practices has not been updated. Therefore, it is necessary to build and perfect institutions for enterprise security management in the direction: Stipulate the mandatory setting up and implementation of minimum welfare for enterprises of all economic sectors and issue general guidance on the use of this mandatory minimum welfare fund for enterprises; In addition to the mandatory minimum welfare fund, encourage businesses to set aside and implement enhanced welfare. The state does not interfere with the enhanced use of welfare, businesses are entitled to use the orientation, vision and priority of the business. However, it is necessary to set a maximum threshold for setting up the welfare fund to prevent taking advantage of the welfare fund to avoid corporate income tax; Researching and specifying maximum and minimum levels in setting up a welfare fund for all types of businesses.

Secondly, promoting the roles and responsibilities of business leaders and managers in implementing social welfare for employees in enterprises.

The corporate welfare regime depends on the perception, will, and attitude of leaders, managers and employers. To increase their ability to compete sustainably in today's market, businesses must pay attention to their corporate welfare policy. Offering effective welfare will have a significant impact on the success of the whole business. Caring for employees is a measure that managers aim to build businesses sustainable Development. Enterprises that perform well for employees' well-being will create a foundation to promote internal strengths for development, such as attitude, sense of responsibility, initiative and conscientiousness of employees, improve efficiency and the competitiveness of the business.

In order to raise awareness and the correct attitude of leaders, managers and employers about the implementation of benefits in enterprises, it is necessary to strengthen propaganda about the role of corporate welfare in the formation of enterprises. corporate culture, encouraging and encouraging employees to actively contribute to

enterprise development. Propagating and advocating for leaders, managers and employers to see clearly the relationship between enterprise welfare and corporate social responsibility. Increasingly doing the responsibility to the society and the community is also a criterion for evaluating the reputation and brand of the business.

Third, promote the role of organization representing employees in the enterprise

In order for the leaders who manage and use the employees to well implement the welfare regime for the employees, besides propaganda and advocacy, there is also a need to have necessary "pressure". That is the public opinion, the media, the management from state agencies through inspection and examination and especially promoting the role of the trade union.

In the market economy, trade unions must play their role, focusing their efforts to negotiate, persuade, and ensure the welfare and welfare of employees. Dialogue, negotiate, convincing employers to reasonably redistribute benefits - achievements brought by both sides; identifying a balance of interests, ensuring the balance of interests between employees and employers. Employee employment, income and related interests, the employer profits and the growth of the business. The contents of the negotiation and agreement must be recorded in the collective labor agreement that the union, representing the employees' collective, signed with the employer and both parties are responsible for compliance.

In market economic conditions, trade unions have to innovate in terms of organization and operation, and effectively use negotiating methods to bring workers welfare (Vu, 2020). This is a method that is sustainable, effective and true to the nature of the trade union, responding to meet the wishes of the members. Trade unions must play a role in joining the leadership team, managing enterprises to develop corporate welfare regulations and regulations; supervise the implementation of corporate welfare; protect workers when their entitlement to corporate welfare is violated.

Conclusion

In the process of international integration, Vietnamese enterprises are always interested in building and organizing the implementation of social security for employees, considering this both an objective and a driving force for sustainable development. stabilize, maintain socio-political stability, contribute to bringing the country out of the group of poor countries, the material and cultural life of workers has been constantly improved, our country's position has been constantly enhanced international school. However, under the negative impacts of the international integration process as well as the negative side of the market economy, affecting the social welfare of workers in enterprises such as unemployment, differentiation rich and poor, income inequality... Therefore, the synchronous implementation of solutions such as: completing the institutional framework for social welfare management in enterprises; promoting the role and responsibility of business leaders and managers in implementing social welfare for employees in enterprises; promote the role of organization representing employees in the enterprise, contributing to ensuring human rights in the process of international integration, completing the goals of comprehensive human development.

Acknowledgement

We would like to express the anonymous research participants for their willingness to have taken part in this study. Additionally, our sincere gratitude should go to other relevant parties who have given comments and supported us during our study. Without their unconditional help and support, we would have never been able to finish this study.

Conflict of interest

The authors declare that they have no competing interests.

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