



# **Socialist Republic of Vietnam**

#### THAI NGUYEN UNIVERSITY SOUTHERN LUZON STATE UNIVERSITY **Republic of the Philippines**

## KHUẤT THỊ THU HIỀN

(English Name: ROSE)

# **CRITERIA OF LABOR RELATIONS** AT ENTERPRISES IN HANOI, VIETNAM

**DOCTORAL DISSERTATION** 

**TNU-SLSU, 2013** 





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The Author

Khuat Thi Thu Hien

#### **COMMITMENT**

The author hereby declares that this is her own research. The information utilized in the Dissertation is trustful. The labor relation criteria has not been available yet in Vietnam generally, in Hanoi, particularly. In 2012, The National Assembly already passed the Labor Code. However, the Code is just a general guideline which needs to wait for a respective Decree of the Central government, then respective Circulars of Ministry of Labor, Invalids and Social Affairs to be more specified in detail and applicable. However, in Vietnam this process takes a long time, at least 3 years normally. A pioneer research can provide the involving policy makers with suggestions, as the food for thought, on what the labor relation criteria should be and what the way of the criteria application should be, is really in need. The author strongly believes that the Dissertation is the first study in Vietnam to construct the set of labor relation criteria, and therefore also the first study to introduce the way to apply those criteria in the reality of an example enterprise. Hence, the findings and conclusions of the Dissertation have not been published in any other work yet!

The Author

Khuat Thi Thu Hien

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#### **ABSTRACT**

The government and enterprises always expect to build harmonious and stable labor relations to increase productivity and to create employee's commitment to business. However, so far, in Vietnam in general and Hanoi in particular, there has been no criteria system available as a basis for evaluating the labor relations at enterprises since it takes a long time (many years) for a Decree of the Government, and then Circulars of Ministry of Labor, Invalids and Social Affairs to be launched that concretize The National Assembly's Labor Code 2012.

The development of criteria system for evaluating the labor relations at enterprises is very necessary. It will serve as an important basis on which both the employers and employees can evaluate the level of the employees' satisfaction, hence they can make better employment planning which enhance both the benefits of the employees and the efficiency of the business.

Based on studies of international labor standards and related legal document of Vietnam, this Dissertation composes and proposes a set of criteria to evaluate the labor relations at enterprises in Vietnam. Then, the Dissertation applies the set of proposed criteria to evaluate the labor relations at a specified enterprise in Hanoi, as an example case study of the way to apply the criteria in the reality of an enterprise. Dong Xuan Knitting Company (DOXIMEX). is chosen for this purpose.

Finally, recommendations are suggested to the State, the employer, the trade union and the empoyees to introduce and implement the Criteria of Labor Relations in the reality of a specific enterprise. The important implication of the criteria application is to evaluate the existing labor relations at the enterprise, and to find out solutions to improve the labor relations to ensure the rights and responsibilities of the relating parties so as to enhance the working environment at the company.

#### .CHAPTER I

#### INTRODUCTION

#### 1.1. BACKGROUND OF THE STUDY

Labor relations at enterprises are the factor that largely influences business operation, economic development, social safety, working environment, and motivation for employees to enhance their labor productivity.

Since Vietnam has been shifting to market economy, labor relations have had many significant changes. Employees have right to seek a job freely and employers have right to choose, recruit workers to suit business requirements. Both the parties have their own rights and interests in compliance with the provisions of the Labor Code through labor contracts, collective labor agreements and other arrangements.

The Labor Code and other laws have played an important role in the above mentioned changes. However, the labor relations in some regions are sometimes not as expected as it should be. The phenomenon of contravening labor discipline which does not guarantee the legitimate rights and interests of workers still occurs and sometimes is very disturbing. Labor disputes, strikes adversely affect the labor market. There are many reasons for these problems, but mostly they are the sense of law respect not highly enough and lacks of full cooperation in goodwill from the both sides. Only when a conflict has broken out in a labor dispute or strike, drawing intervention of the authority, the labor relations are then put back in peace again. Experiences of some cases prove that, if both the parties took the initiative of good will to meet and have dialogues, negotiate each other in order to try to resolve the dispute soon, the strike would be much likely not to happen and potential damages would be smartly avoided. Labor disputes and strikes are a natural phenomenon of