



## **BARRIERS OF ETHNIC MINORITY LABORERS ACCESS TO ENTERPRISES FOR EMPLOYMENT IN SOME AREAS IN VIETNAM**

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### **Abstract**

*Labor problems are always considered to be the most important issue in the guidelines of Vietnam. Job creation is the basic social policy of the country aiming at sustainable development for people. Ethnic minority areas are underdeveloped and have inequality in comparison with the national development. It sets the requirement that the State should quickly adopt mechanisms and policies to resolve them. Therefore, creating employment opportunities for an ethnic minority group is becoming an urgent in the economic strategy of Vietnam. However, there are many obstacles that restrict the ethnic minority laborers working in enterprises. This study aims to point out the barriers and difficulties in employment access of the ethnic minority workers in some regions of Vietnam.*

*Keywords: Labor, ethnic minority, business, barriers, employment*

## INTRODUCTION

Vietnamese government has issued a number of policies to encourage enterprises to employ local workers in ethnic minority areas, but it is difficult to attract this labor force. In many regions such as the Northwest and Central Highlands, enterprises rarely use local ethnic minority laborers, most of whom come from elsewhere (mainly from the Delta areas) that arise lots of complicated problems. Recently, some enterprises have been gradually investing in production and business in mountainous areas with aims to create job for locals. Most of ethnic minority people are afraid to work away from home, diffident, and not familiar with the industrial working environment. Therefore, it is difficult for them to find a better job to increase their income. At the same time, the regions where most of the ethnic minorities living in are mountainous, remote areas, with unfavorable transportation conditions, and lack of attractiveness for investors. With the given the current conditions, it is difficult to create many new jobs in mountainous areas.

This study aims to identify the barriers of ethnic minority laborers in accessing employment in enterprises in some areas of Vietnam, and in the hope to provide potential solutions to solve the employment issues in the rural areas.

## LITERATURE REVIEW

Low human capital - lack of qualifications, skills and experience is considered a major barrier to employment and income of EM workers. Educational attainment is a key factor that influences successful participation in the labor market for all ethnic groups (Clark and Drinkwater, 2007). And it is education and training that opens up opportunities for the government to improve employment prospects for businesses for ethnic minority communities. Heath and Cheung (2006) emphasized that the strong link between education and success in labor market participation and education should therefore be a priority for ethnic minority communities.

Factor related to language is also a major barrier for ethnic minority communities to participate in the labor market (Tackey et al., 2006; Bloch, 2002 and Work and Pensions Committee, 2005). Therefore, language training and communication skills are very important to enable ethnic minority communities to work in businesses (Haslack and Green, 2006).

In China, the study of Reza Hasmath et al. (2012) pointed out that ethnic labors are more difficult to find jobs and adapt to jobs than Han Chinese. Factors that explain these barriers are discrimination, lack of social capital and differences in working culture. The findings also showed that the difference in monthly income between ethnic minorities and Han people is between 8-17%.

In the labor market, recruitment information through channels such as direct recruitment, communication tools (newspaper advertising, online recruitment tools ...), employment centers

or social capital plays a role. It is very important to bring labor supply and labor demand together. However, according to the statement of Bian (1997), about two-thirds of Han Chinese interviewed said that their current jobs are due to social relationships through their families and friends. Meanwhile, less than 10% of surveyed ethnic minority workers said that their job is due to social support.

The domination of informal relationships in the hiring process is quite common in businesses and this makes it easier for the majority to establish and maintain public relations work compared to ethnic minorities. Corporate culture encompasses many informal social behaviors such as communication, decision making, and other personal relationships that often govern the value of a group of people, assumptions and social norms (Martin, 1992). In all businesses, the cultural monopoly of Han Chinese is a fact. Ethnic minority workers claim that they are not strangers to the corporate culture even though they often speak in the local dialect instead of using the common language.

## **METHODOLOGY**

The study uses descriptive statistical methods to analyze and compare the fluctuations of research indicators, and to evaluate barriers that restrict employment to work in an enterprise of ethnic minority workers in some areas in Vietnam.

The representativeness of the research sample is guaranteed by random stratification combined with multi-stage clustering in 10 provinces, namely Cao Bang, Ha Giang, Lao Cai, Nghe An, Quang Ngai, Binh Dinh, Lam Dong, Dak Lak, Tra Vinh, Binh Duong. Firstly, a list of regions where ethnic minorities represent regions across the country was made, then a list of ethnic workers residing in the localities and working in enterprises in the survey provinces was also made. Secondly, a list of agencies related to ethnic minorities and businesses in surveyed 10 provinces was conducted. Thirdly, households in communes and districts in each province with a large number of ethnic minorities and areas with businesses employing a large number of ethnic laborers were chosen. Then, list of households, enterprises, and managers was made to implement the interview. Finally, each province has 210 respondents who were randomly selected, so a total of 2100 samples were chosen to conduct the survey. SPSS software version 20.0 with descriptive statistics is used to analyze data in this study.

## **RESULTS AND DISCUSSIONS**

The results of the survey of local ethnic minority workers show that they want to work as workers in enterprises and part-time jobs. The Table 1 shows that the labor demand in provinces is different. The group of provinces having workers who want to be workers is Cao

Bang (81.9%), Nghe An (80%), Binh Dinh (52.86%), Quang Ngai (78.57%), Dac Lak (50.48%), Binh Duong (accounting for 51.9%), the remaining provinces have workers who want to work part-time jobs.

When interviewed openly, the employees want to do simple and easy jobs and in enterprises in provinces or inter-provinces. The people who taking part-time jobs want to work close to their houses, have more time to take care of their families and develop family economy such as cultivation, animal husbandry, etc.

Table 1. Job need for ethnic minority workers in enterprises

Regions	Province	Portion (%)			
		Worker	Official staff	Manager	Part time job
Northwest	Ha Giang	39.05	-	-	60.95
	Cao Bang	81.90	-	-	18.10
	Lao Cai	48.57	-	-	51.43
Central	Nghe An	80.00	-	-	20.00
Coast	Binh Dinh	52.86	-	-	47.14
	Quang Ngai	78.57	-	-	21.43
Highlands	Lam Dong	44.76	-	-	55.24
	Dac Lak	50.48	-	-	49.52
Southwest	Binh Duong	51.90	-	-	48.10
	Tra Vinh	44.29	-	-	55.71

Ethnic minority labors in these provinces want to receive support for accessing to recruitment information, short-term vocational training; vehicles; accommodation; support for language and cultural training. This helps ethnic minority workers have opportunity to work in businesses, escape poverty and have a stable income. Each different place will have the various need of support.

Firstly, it is the desire to get support for local vehicles. Workers who work in local businesses or neighboring provinces want to receive daily transportation to work. 6 out of 10 surveyed provinces express the high desire for transportation such as Cao Bang (61.9% of total respondents), Nghe An (with 59.52% of opinions), Binh Dinh (56.19% of total respondents), Quang Ngai (83.33% of total the respondents), Dak Lak (60% of total the respondents). Psychology of the ethnic minority workers prefer to be close with families so most of them choose to work for businesses, which provide the favorable transportation conditions.

Secondly, the highest proportion expressing the desire for assistance in accessing employment information is in Ha Giang (48.57%) and the lowest for Dak Lak (6.19%). Recruitment information including working time, type of job, working address, business requirements, working position, salary, remuneration,... In all provinces, there are Job Centers to give support for people there. Department of Labor Invalids and Social Affairs will send recruitment information of enterprises to Job Centers of districts to deploy to the communes. However, people in many difficult areas, which are far from the commune centers are hard to access to information.

Table 2. Needs of enterprise support for ethnic minority workers

Area	Province	Recruitment information support	Proportion (%)			
			Short-term vocational training support	Transportation support	Accommodation support	Cultural and language training support
Northwest	Ha Giang	7.14	48.57	40.95	0.95	2.38
	Cao Bang	19.10	-	61.9	4.29	14.76
	Lao Cai	28.10	-	35.71	13.33	22.86
Central Coast	Nghe An	20.00	-	59.52	-	20.48
	Binh Dinh	11.00	15.24	56.19	4.76	12.86
	Quang Ngai	-	16.67	83.33	-	-
Highlands	Lam Dong	29.10	30.48	23.81	7.62	9.05
	Dac Lac	22.40	6.19	60.00	11.43	-
Southwest	Binh Duong	25.20	34.76	21.43	9.05	9.52
	Tra Vinh	29.50	30.95	21.43	8.10	10.00

The third is support in short-term vocational training. Ha Giang is found to be the highest desire for this support (48.57%), followed by Binh Duong province (34.76%), Lam Dong (30.48%), Tra Vinh province (30.95%). Three provinces like Cao Bang, Lao Cai and Nghe An provinces do not have this demand. Annually, short-term vocational training programs are implemented according to the Prime Minister's Decision No. 1956 /QD-TTg and training programs issued by Department of Labor Invalids and Social Affairs to attract people to participate. However, the drawback is the limited time and financial support for participants. In some regions, enterprises in the same business sector are associated with training institutions to conduct short-term training programs.

Fourthly, local ethnic minority workers expect to get support in language and cultural training. This is concentrated in Lao Cai (22.86%), Nghe An (20.48%). Ha Giang is accounted for the lowest proportion 2.38%. Some ethnic minority people in remote and isolated areas where people have low level of education and Kinh language expect to work and eager to take this type of training.

Fifthly, local ethnic minority workers also expect to be supported with accommodation. This biggest rate is in Lao Cai province (13.33%) while Nghe An and Quang Ngai did not have any suggestions about accommodation support.

Thus, it can be seen that most local workers have desire to work in the business and to get supports in transportation, short-term training and recruitment information because these are essential activities to attract ethnic minority laborers to work in enterprises.

Table 3. Drawbacks of ethnic minority worker who do not have jobs in enterprises

Area	Province	Proportion (%)					
		Do not know the recruitment information	Have no people to do housework	Take care of children and parents	Geography distance	Do not have ability to work	Do not have health to work
Northwest	Ha Giang	3.33	14.76	15.24	66.19	-	0.48
	Cao Bang	19.05	-	-	58.57	22.38	-
	Lao Cai	28.10	16.19	3.33	29.52	22.86	-
Central Coast	Nghe An	20.00	-	-	59.52	20.48	-
	Binh Đinh	21.90	16.67	4.29	33.33	23.81	-
	Quang Ngai	15.24	5.24	-	62.38	17.14	-
Highlands	Lam Dong	2.38	7.62	10.48	79.05	0.48	-
	Dac Lac	22.86	15.71	6.19	38.57	16.67	-
Southwest	Binh Dương	11.43	20.00	13.33	54.76	-	0.48
	Tra Vinh	2.86	5.24	8.57	82.86	-	0.48

Table 3 describes in detail the drawbacks of ethnic minority laborers in provinces access the jobs in enterprises. The results show the biggest disadvantage is in geography distance. This is the biggest disadvantage and is chosen by local ethnic minority workers. The next drawback is not enough working capacity. The third is “unknown job information”.

Based on the assessment of the needs of ethnic minority workers and comparison with the needs of businesses, the current study is to analyze the gaps and drawbacks between supply and ethnic minority labor demand as a basis for policy design.

## PROPOSING SOLUTIONS

Strengthen the coordination of the leaderships and authorities at all levels, promote the strength of the entire political system, and create the unity of the society in the implementation of programs and policies to attract workers in ethnic minority areas. Ethnic minority laborers mostly live in mountainous and remote areas, with limited capacity in both qualifications and skills. Without the participation and the direction of all levels, sectors, as well as the state's support, it will be difficult to attract ethnic minority labor. The reason is that the profit of enterprise is the important goal and the employee is the object to create this goal. Therefore, the business does not exist if the work force is not solved.

Promote the propagation and dissemination of policy reforms so that businesses understand the purpose and meaning of policy innovation to attract ethnic minority laborers to work in enterprises. It is not only a profoundly social and humane policy, but also it can solve the economic problem for businesses. Once, policies are appropriate, the negative effects will be solved.

Innovating state management in the field of preferential treatment for people with meritorious services and social security. Reviewing and perfecting the legal system, mechanisms and policies to ensure systematic and uniformity, simplicity and efficiency; both support and encourage the efforts of the beneficiaries, overcome the dependence on the State.

Unifying the focal point to manage programs and policies in the direction of the Government and local administration to manage objectives, resources, implementation, inspection, examination and supervision. Besides, enterprises are responsible for managing resources and organizing implementation. Improving the capacity to implement policies of enterprises should be encouraged.

The State should allocate and support enterprises with resources to implement policies to attract ethnic minority laborers to work in enterprises such as: funds for training and supporting the construction of infrastructure for them.

Enhancing information dissemination, promoting recruitment needs, career guidance, job placement to ethnic minority areas in various forms so that employees know the recruitment needs and understand what jobs they will do to motivate them to participate.

In industrial zones, it is necessary to focus on building infrastructures to serve laborers such as: kindergartens, schools, play areas for children, creating peace of mind for workers, and long-term attachment to enterprises Karma.

Enhancing the coordination with local authorities in recruiting workers, as well as coordination between training institutions to address training; employment-oriented, with a focus on ethnic minorities.

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