COMPARATIVE EVALUATION OF THE EXTERNAL SOCIAL CAPITAL OF FOOD FIRMS BETWEEN RESPONDENTS

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Van Hieu Pham³

ABSTRACT

Purpose: To investigate the external social capital of food firms. In addition, the comparative evaluation between respondents of genders, job positions, ages, academic standards, career seniority, and work location is one way to evaluate the external social capital of food firms.

Theoretical framework: Social capital affects innovation in firms and entrepreneurship, thereby bringing solutions to difficult situations for firms, and social capital also helps firms improve their adaptability, minimize risks, maintain existing economic strength, and affect business performance.

Method/design/approach: Data were collected through questionnaires sent to 200 employees of food firms, but only 156 questionnaires were suitable. SPSS was utilized for a comparative evaluation of the external social capital of food firms between respondents. Multiple statistical techniques were employed for data analysis, including SPSS via the independent t-test and ANOVA.

Results and conclusion: The study's results indicate that there is no difference in assessing the external social capital of food firms between different subjects in terms of gender, academic standards, work location, job position, career seniority, and age. This study offers theoretical and practical implications for improving the external social capital of the food firms in Hanoi, thereby improving business performance. Based on this result, the study proposes some recommendations for food firms.

Research implications: This research utilizes the external social capital mix concept based on prior studies in the realm of firms. Within the context of the digital transformation of the entire society, these variables are useful solutions for firms.

Originality/value: The analysis of the external social capital of food firms is one of the effective solutions that contributes to improving the business performance of food firms.

Keywords: Competitive, External Social Capital, Food Firms, Economics, Business Administration, Social Work.

AVALIAÇÃO COMPARATIVA DO CAPITAL SOCIAL EXTERNO DAS EMPRESAS ALIMENTÍCIAS ENTRE OS ENTREVISTADOS

RESUMO

Objetivo: Investigar o capital social externo das empresas alimentícias. Além disso, a avaliação comparativa entre os respondentes em termos de gênero, cargos, idades, padrões acadêmicos, antiguidade na carreira e local de trabalho é uma forma de avaliar o capital social externo das empresas alimentares.

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**Enquadramento teórico:** O capital social afecta a inovação nas empresas e o empreendedorismo, trazendo assim soluções para situações difíceis para as empresas, e o capital social também ajuda as empresas a melhorar a sua adaptabilidade, minimizar os riscos, manter a força económica existente e afectar o desempenho empresarial.

**Método/desenho/abordagem:** Os dados foram recolhidos através de questionários enviados a 200 funcionários de empresas alimentares, mas apenas 156 questionários foram adequados. O SPSS foi utilizado para uma avaliação comparativa do capital social externo das empresas alimentares entre os entrevistados. Múltiplas técnicas estatísticas foram empregadas para análise de dados, incluindo SPSS através do teste t independente e ANOVA.

**Resultados e conclusão:** Os resultados do estudo indicam que não há diferença na avaliação do capital social externo das empresas alimentares entre diferentes sujeitos em termos de género, padrões académicos, local de trabalho, cargo, antiguidade na carreira e idade. Este estudo oferece implicações teóricas e práticas para melhorar o capital social externo das empresas alimentares em Hanói, melhorando assim o desempenho empresarial. Com base neste resultado, o estudo propõe algumas recomendações para empresas alimentícias.

**Implicações da pesquisa:** Esta pesquisa utiliza o conceito de mix de capital social externo baseado em estudos anteriores no âmbito das empresas. No contexto da transformação digital de toda a sociedade, estas variáveis são soluções úteis para as empresas.

**Originalidade/valor:** A análise do capital social externo das empresas alimentares é uma das soluções eficazes que contribui para melhorar o desempenho empresarial das empresas alimentares.

**Palavras-chave:** Competitivo, Capital Social Externo, Empresas Alimentícias, Economia, Administração de Empresas, Serviço Social.

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1 **INTRODUCTION**

Social capital contributes to the development of knowledge for firms (Suseno & Raden, 2007; Prieto-Pastor et al., 2018).

Social capital plays a very important role in knowledge development (Suseno & Ratten, 2007; Mikovic et al., 2019). In addition, social capital also contributes positively to enterprise product innovation (Cuevas-Rodríguez et al., 2014; Tsai & Ghoshal, 1998) and business performance (Akintimehin et al., 2019; Nasip et al., 2017).

Several studies have asserted that social capital facilitates knowledge development, which, in turn, provides the foundation for generating corporate innovation and competitive advantage (Adler & Kwon, 2002; Yli-Renko et al., 2002; Sanchez-Famoso et al., 2017; Wang et al., 2016). In addition, social capital facilitates innovation by promoting cooperation and coordination among members inside and outside the firm (Nahapiet & Ghoshal, 1998; Adler & Kwon, 2002; Dai et al., 2015). Furthermore, empirical research by Cuevas-Rodríguez et al. (2014) also shows that internal social capital has a stronger impact on product innovation than external social capital when studying 142 firms in the mechanical industry manufacturing gas and information technology software services in Spain.

According to Cuevas-Rodríguez et al. (2014), firms establish many different external relationships during innovation activities, such as relationships with suppliers, customers, and related partners, strategic alliances, joint ventures, and other stakeholders. From there, allowing them to exchange a variety of information and complementary knowledge to find promising new opportunities at low costs, enhance product innovation through better contact with customers, overcome risks associated with new product development, and better manage process innovation and related outcomes (Christensen, 2006; Prashantham, 2011).
The last few decades have shown an expansion in the understanding of social and emotional competencies (Huynh et al., 2023). Therefore, in Vietnam, social capital is one of the topics of interest to many researchers and society.

In recent years, Vietnam's food processing industry has achieved important achievements, greatly contributing to the country's economic growth. This is the industry with the highest proportion among the processing industries, demonstrating the importance of the industry in ensuring people's food needs as well as meeting export requirements. Vietnam's food processing industry is on a strong growth trend, gradually supplying many highly competitive products, dominating the domestic market, and increasing exports. Currently, food accounts for the highest proportion in the monthly spending structure of Vietnamese consumers.

The majority of firms operating in the listed food industry have their financial statements audited by independent auditing companies belonging to the Big Four group or independent auditing firms.

To adapt to the current trend of digital transformation in society, food firms need to have appropriate solutions. Improving social capital in general and external social capital in particular is one of the solutions.

Therefore, the purpose of this research is to discuss the external social capital of food firms in Hanoi, and comparative evaluation between respondents of genders, job positions, ages, academic standards, career seniority, and work location is one way to evaluate the external social capital of food firms. The papers give some suggestions for making appropriate recommendations for enhancing the external social capital of food firms.

To conduct this research, the theoretical framework is based on previous studies. From the research gap, the paper presents the following research questions:

RQ1: How are the assessments of different survey subjects in terms of genders, job positions, ages, academic standards, career seniority, and work location regarding the external social capital of food firms?

2 THEORETICAL FRAMEWORK

External social capital of a firm is the relationship between the firm and individuals representing external relevant organizations (Yli-Renko et al., 2002). External social capital includes assets that are a firm's deep external relationships (Dai et al., 2015) or that can be reflected in an organization's interactions with competitors (Ireland et al., 2002).

In the context of interfirm alliances, firms establish external social capital through their network relationships in alliance cooperation (Ireland et al., 2002). When the relationship is in its early stages, the benefits of external social capital may be limited to opportunistic behavior. However, relationships that evolve over time become closer and stronger, promoting learning (Prieto-Pastor et al., 2018), knowledge development (Mikovic et al., 2019), and sharing, exchanging, and combining resources (Inkpen & Tsang, 2005). Indeed, strong external relationships (i.e., parties trust each other and reciprocate) facilitate a better outcome because both parties commit to sharing a significant amount of their resources (Uzzi, 1996).

The external social capital network structure is the network of relationships of an enterprise with vertical external entities, including units within the same corporation and governments at all levels (Nguyen & Huynh, 2012), and with other organizations business partners (Dai et al., 2015), such as customers, distributors, and suppliers (Dai et al., 2015).

Current studies on crowdfunding mainly concerning the external social capital of the individual project proponents, using the fans of the proponents’ Facebook or Weibo (Mollick, 2014; Zheng et al., 2014).
3 METHODOLOGY

This research falls under one category: descriptive research. Descriptive research is conducted when the variables to measure an object are known, but the relationship between these variables is yet to be determined. Descriptive research was utilized in the study, allowing for an examination of things in their natural state without any manipulation. This method is deemed most suitable as it enables the observation of participants in their everyday environment, resulting in precise data and statistics. This approach effectively pinpointed how the elements of the external social capital of food firms.

In order to facilitate the research process, the collection of pertinent information is often accomplished by disseminating questionnaires to 200 participants (see Table 1). This approach represents an indirect method of information gathering. The questionnaire itself can be distributed using several methods, including individually, via message, and via email. In this research, a questionnaire using a Google form will be used with selected answers with a score range based on a Likert scale, which is then distributed to respondents using online media. The data collection is conducted at a specific time, not continuously, and is also known as cross-sectional (Hair et al., 2020). Multiple statistical techniques were employed for data analysis, including SPSS via the independent t-test and ANOVA.

Information on the data collected is shown in Table 1. It shows that among the respondents, 35.9% were business staff, 32.7% were accountants, 17.9% were in the production department, and other positions accounted for 13.5%. Of these, 43 participants are from 22 to 30 years old, accounting for 27.6%; 41 participants are from 30 to 35 years old, accounting for 26.3%; 38 participants are from 35 to 45 years old, accounting for 24.4%; and the remaining respondents are 45 years old or older, accounting for 21.8%. Among the respondents, 37.8% of the participants work in food firms in the city, and 62.2% of the participants work in food firms in the countryside. There were 113 participants who were bachelors; the remaining were postgraduates.
4 RESULTS AND DISCUSSION

4.1 Independent T-test: different genders

A comparison of the results of the evaluation of the differences in the external social capital of food firms with participants of different genders (male and female) can be seen in Table 2. According to the results shown in Table 2, sig Levene's test is 0.528, which is more than 0.05. The variance between males and females is not different. Moreover, the sig value t-test is 0.360, which is more than 0.05, which means that there is no statistically significant difference in the external social capital of food firms between these different genders (Hoang & Chu, 2008; Hair et al., 2009; Hair et al., 2014).

Table 2. Differences in the external social capital of food firms with participants of different genders - Independent Test

<table>
<thead>
<tr>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>---</td>
<td>------</td>
</tr>
<tr>
<td>ESC</td>
<td>Equal variances assumed</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
</tr>
</tbody>
</table>

Source: Prepared by the authors (2023) and SPSS software.

4.2 Independent T-test: academic standards

A comparison of the results of the evaluation of the differences in the external social capital of food firms with participants of different academic standards (bachelor and postgraduate) can be seen in Table 3. According to the results shown in Table 3, sig Levene's test is 0.117, which is more than 0.05. The variance between bachelor's and postgraduate degrees is not different. Moreover, the sig value t-test is 0.501, which is more than 0.05, which means that there is no statistically significant difference in the external social capital of food firms between these different academic standards (Hoang & Chu, 2008; Hair et al., 2009; Hair et al., 2014).

Table 3. Differences in the external social capital of food firms with participants in different academic standards - Independent Test

<table>
<thead>
<tr>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>Sig.</td>
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<td>---</td>
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</tr>
<tr>
<td>ESC</td>
<td>Equal variances assumed</td>
</tr>
</tbody>
</table>
4.3 Independent T-test: Work location

A comparison of the results of the evaluation of the differences in the external social capital of food firms with participants of different work location (countryside and city) can be seen in Table 4. According to the results shown in Table 4, sig Levene’s test is 0.392, which is more than 0.05. The variance between countryside and city is not different. Moreover, the sig value t-test is 0.206, which is more than 0.05, which means that there is no statistically significant difference in the external social capital of food firms between these different work location (Hoang & Chu, 2008; Hair et al., 2009; Hair et al., 2014).

Table 4. Differences in the external social capital of food firms with participants of different work location - Independent Test

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td></td>
<td>Equal variances assumed</td>
<td>0.737</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>-1.290</td>
</tr>
</tbody>
</table>

Source: Prepared by the authors (2023) and SPSS software.

4.4 ANOVA - job positions

An ANOVA test was needed to make a comparison of the results of the evaluation of the differences in the external social capital of food firms between the four subjects, including participants who are business staff, participants who are accountants, participants who are in the production department, and participants in other positions. Table 5 shows that the sig Levene statistic is 0.002, which is smaller than 0.05, which means that the hypothesis of homogeneity of variance among the variable value groups (different job positions) has been violated. Therefore, we use the Welch test results in Table 6. Sig test Welch is equal to 0.971, which is more than 0.05; that is, there is no difference in mean DCS between different job positions. Thus, there is no difference in the external social capital of food firms among employees of different job positions (Hoang & Chu, 2008; Hair et al., 2009; Hair et al., 2014).

Table 5. Test of Homogeneity of Variances

<table>
<thead>
<tr>
<th>Descriptions</th>
<th>Levene Statistic</th>
<th>df1</th>
<th>df2</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Based on Mean</td>
<td>5.011</td>
<td>3</td>
<td>152</td>
<td>0.002</td>
</tr>
<tr>
<td>Based on Median</td>
<td>4.736</td>
<td>3</td>
<td>152</td>
<td>0.003</td>
</tr>
<tr>
<td>Based on Median and with adjusted df</td>
<td>4.736</td>
<td>3</td>
<td>128.882</td>
<td>0.004</td>
</tr>
<tr>
<td>Based on trimmed mean</td>
<td>4.808</td>
<td>3</td>
<td>152</td>
<td>0.003</td>
</tr>
</tbody>
</table>

Source: Prepared by the authors (2023) and SPSS software.
4.5 ANOVA - ages

An ANOVA test was needed to make a comparison of the results of the evaluation of the differences in the external social capital of food firms between the four subjects, including participants who are from 22 to 30 years old, participants who are from 30 to 35 years old, participants who are from 35 to 45 years old, and participants who are 45 years old or older. Table 7 shows that the sig Levene statistic of 0.813 is greater than 0.05, which means that the hypothesis of homogeneity of variance among the variable value groups (different ages) has not been violated. Table 8 shows that sig. is 0.149, which is more than 0.05, which indicates that there is no statistically significant difference in the external social capital of food firms between the mentioned four groups of ages (Hoang & Chu, 2008; Hair et al., 2009; Hair et al., 2014).

4.6 ANOVA – Career seniority

An ANOVA test was needed to make a comparison of the results of the evaluation of the differences in the external social capital of food firms between the three subjects, including participants who have career seniority less than 5 years, participants who have career seniority from 5 to 10 years, and participants who have career seniority 10 years or older. Table 9 shows that the sig Levene statistic of 0.252 is greater than 0.05, which means that the hypothesis of homogeneity of variance among the variable value groups (career seniority) has not been violated. Table 10 shows that sig. is 0.169, which is more than 0.05, which indicates that there is no statistically significant difference in the external social capital of food firms between the mentioned three groups of career seniority (Hoang & Chu, 2008; Hair et al., 2009; Hair et al., 2014).
Comparative Evaluation of the External Social Capital of Food Firms Between Respondents

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>1.650</td>
<td>2</td>
<td>0.825</td>
<td>1.797</td>
<td>0.169</td>
</tr>
<tr>
<td>Within Groups</td>
<td>70.228</td>
<td>153</td>
<td>0.459</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>71.878</td>
<td>155</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Prepared by the authors (2023) and SPSS software.

4.7 The relationship between the external social capital of food firms

4.7.1 Job positions

Next, the line graph shows the relationship between the external social capital of food firms and each respondent's job position (Figure 1). Figure 1 shows that this line tends to slope up when the respondents' job positions are business staff, accountants, production department and other positions.

![Figure 1: The line graph shows the relationship between the external social capital of food firms and each respondent's job positions](image)

Source: Prepared by the authors (2023) and SPSS software.

4.7.2 Ages

Next, the line graph shows the relationship between the external social capital of food firms and each respondent's age (Figure 2). Figure 2 shows that this line tends to go down when the respondents' ages range from 30 to 35 years old. But this line tends to slope up when the respondents' ages are 35 to 45 years old and 45 years old or older.
4.7.3 Career seniority

Next, the line graph shows the relationship between the external social capital of food firms and each respondent's career seniority (Figure 3). Figure 3 shows that this line tends to go down when the respondents' career seniority is from 5 to 10 years old. But this line tends to slope up when the respondents' career seniority is 10 years or older.

**Figure 2:** The line graph shows the relationship between the external social capital of food firms and each respondent's ages

**Source:** Prepared by the authors (2023) and SPSS software.

**Figure 3:** The line graph shows the relationship between the external social capital of food firms and each respondent's career seniority

**Source:** Prepared by the authors (2023) and SPSS software.
5 DISCUSSION

In Vietnam, food and beverages (F&B) is one of the industries with an important role and great potential for development. According to Euromonitor research published in early 2023, Vietnam's F&B market value in 2023 is expected to increase by 18% compared to 2022, reaching a revenue milestone of about VND 720,300 billion. Experiencing a period of upheaval due to the COVID-19 pandemic along with the consumer trend of promoting green and sustainable products, F&B firms in Vietnam are also continuously transforming towards sustainability across the entire production value chain.

Sustainable development trends in the industry are also continuously updated and developed every day, typically through the use of vegan and organic raw materials, sustainable farming, reuse and recycling, reducing waste or excess products from the production process, and measures to limit the use of plastic and reduce packaging in general, cutting down on food waste.

Vietnamese food processing enterprises have made efforts to apply new and improved production methods and apply technology in production and business to help businesses reduce costs, reduce time, and improve quality products, flexibility, and business performance.

Food firms should invest in technology because, when technology is innovated, it tends to increase labor demand (increase the number of jobs) rather than replace labor. This is a positive sign for the food industry because it helps create more jobs for workers, especially workers with general skills, and at the same time changes in production technology and business. Business also implies an increase in product value, thereby helping to increase the income of both firm owners and employees.

Firms need to adapt quickly and flexibly to new technology and processes, as well as train and build appropriate motivation for each individual in the organization to be ready to respond to challenges and grasp development opportunities in the current digital era. The purpose of digital transformation is to strengthen a business's core competencies and explore new opportunities by transforming people, systems, or processes. The benefits of digital transformation include operational excellence, enhanced customer experience, and the creation of new business models.

If food firms have an available labor source that meets the necessary skills of the food processing industry, it will allow industry transformation and labor restructuring to take place more smoothly.

According to Nga and Tam (2023), digital transformation helps banks overcome challenges, create competitive advantages, proactively adapt, and develop sustainably. Digital transformation will help banks transform their operating models, apply modern technology, and digitize on digital platforms, thereby helping exploit data effectively to increase customer experience and engagement. Therefore, food firms should apply the digital transformation process of commercial banks to save time and costs, thereby improving social networks and enhancing business performance.

The government should have policies to develop the country's human resources in sync with industry development policies to ensure a balance in labor supply and demand during the transition process. The government should plan the development of food processing industries and associate them with agricultural production on a regional scale instead of letting provinces develop spontaneously to try to take advantage of positive spillover effects between regions. Neighboring provinces that have common characteristics of agricultural production and food processing production.
6 CONCLUSIONS

Social capital of individuals has gained extensive attention and a number of studies show the correlation between ‘individual’ social capital and economic performance. It is recognized that individual social capital is a robust predictor of entry into nascent entrepreneurship.

This research has both theoretical and practical significance. It is one of the most valuable reference documents for firms in general, and food firms in particular, to enhance external social capital. However, the study has some limitations, such as a small sample size and limited research scope in food firms. Future studies can continue to develop with larger sample sizes and wider spatial ranges.

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REFERENCES


Comparative Evaluation of the External Social Capital of Food Firms Between Respondents


