



RESEARCH ARTICLE

Leader Social Capital via Business Partner Ingredients and Internal Social Capital of Logistics FirmLe Thi Thuy Nga^{1*}, Nguyen Thị Phương Mai², Truong ThiNhu Nguyet³, Bui Doan Trang⁴, Chu ThiHuyen Yen⁵^{1,2,3,4}Trade Union University, Vietnam⁵University of Labour and Social Affairs, Vietnam**ARTICLE INFO****ABSTRACT**

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In the current economic and social context, Vietnam's logistics industry is facing many opportunities, such as increasing business efficiency from administrative procedure reform; increasing demand for logistics services; increasing the size of the logistics market due to increased import and export activities; and attracting investment from other countries. However, there are also significant challenges, such as the level of competition with foreign enterprises, which will be more intense, and the logistics and transportation system must ensure strict requirements on international standards and control procedures. The purpose of this article is to ascertain how leader social capital via business partner ingredients at logistics firms in Vietnam affects internal social capital. The author's primary research methodology combines quantitative and qualitative approaches. We analyze, measure, and test the model through quantitative research. We make use of primary data from an employee survey conducted by logistics firms in Vietnam with the 255 research samples. SPSS software is used in quantitative research methods, including descriptive statistics, analysis of reliability of scales through the Cronbach alpha coefficient, EFA analysis and correlation analysis. Research results have determined that leader social capital via business partner ingredients (sig. = 0.000 < 0.05) affects internal social capital at logistics firms in Vietnam. Based on the result, we propose governance implications for the business leaders of these firms to improve leader social capital via business partner ingredients and internal social capital. Besides, research results provide useful references for research on related issues.

INTRODUCTION

The Handbook of Social Economics' definition of social capital, which has gained widespread acceptance in the field of economics (Casas et al., 2017), exhibits effect on the discipline (Putnam, 1993). "Those persistent and shared beliefs and values that help a group overcome the free rider problem in the pursuit of socially valuable activities" is how Guiso et al. (2011) define social capital. Putnam's (1993) theories also have an impact on the density of associations (Satyanath et al., 2017), one of the most used measures of social capital in the economic literature.

In recent years, Vietnam's logistics service industry has grown rapidly at 14%–16% per year and contributed about 3% to the country's GDP (Ministry of Industry and Trade, 2022), driven by the country's economic development and increasing global trade. As businesses continue to expand and enter the international market, the need for efficient and reliable logistics services has become paramount.

Due to the significant contribution made by infrastructure investment in this area, especially in ports, which serve as hubs for international trade, Vietnam's logistics industry has a great deal of potential

to develop into one of the country's main economic sectors and support the nation's overall, sustainable development. The recovery of the national and international economies will primarily benefit the logistics sector in the years to come.

One of the goals of sustainable logistics is to lessen the adverse environmental effects of transportation. This process can be held responsible for anything from noise pollution to carbon emissions and other related consequences. Consequently, the logistics business has been focused on meeting consumer needs, coordinating industry growth, and maintaining a high degree of environmental awareness.

In addition to infrastructure, resources, and other elements, the logistics industry is built on knowledge. A business can thus quickly acquire the information required to compete successfully in that market by participating in a network of ties and links with other businesses by comprehending the terms and characteristics of the market (Suseno& Raden, 2007).

Organizing business connection seminars between domestic logistics enterprises and between Vietnamese logistics enterprises and foreign-invested logistics enterprises, etc., will promote cooperation in logistics development between enterprises and between countries.

For the above reasons, this research is necessary and has both theoretical and practical significance.

2. LITERATURE REVIEW

Leader social capital via business partner ingredients

According to Tasavori et al. (2018), the goal of leadership in this situation might be interpreted as creating and fostering a network of enduring, reliable connections among stakeholders. Benefits aren't limited to management and stockholders (Maak & Pless, 2006), and everyone in the company needs to share the same vision and goals (Prieto-Pastor et al., 2018; Dai et al., 2015). Therefore, the ability to facilitate and bridge sustainability, generate benefits with stakeholders, foster goodwill and trust, and eventually establish a worthwhile enterprise in society are all essential components of responsible leadership (Maak, 2007).

According to research by Burke et al. (2007), trust improves interactions between people. Conversely, workers are more inclined to collaborate and share knowledge with a leader they trust (Mayer et al., 1995). In order to improve the relationship between leaders and employees, they have expectations for leaders (Rousseau et al., 1998). A fundamental emotion, trust works to stifle negative feelings and encourage optimism in each worker's mind. Trust must be motivated, organic, and always foster a sense of ease between the two sides. Employees will be more driven to do better when they see that their bosses value them.

Family, clan, friends, business associates, coworkers, government officials, and community leaders are all part of the extensive leadership social capital network structure (Hitt & Ireland, 2002). Establishing, preserving, trusting, sharing, avoiding harm, and supporting one another amongst network leaders and stakeholders are all indicators of network quality (Nguyen & Huynh, 2012; Dai et al., 2015).

Chu et al. (2024) investigate leader social capital in real estate firms via business partner ingredients. Data were collected through questionnaires sent to 250 employees of real estate firms, but only 195 questionnaires were suitable. SPSS was utilized. According to the findings of this study, three attributes of the leader's social capital via business partner ingredients in real estate firms in Hanoi and neighboring provinces, Vietnam, were quite high. There is no statistically significant

difference in the leader's social capital via business partner ingredients in real estate firms in Hanoi and neighboring provinces, Vietnam, between these different genders and marital statuses, but there is a statistically significant difference between these different job positions.

Internal social capital

According to Yli-Renko et al. (2002), internal social capital is the number and quality of the network of relationships that exist between employees and internal departments or divisions within a company. Every person and department in the organization is always searching for new methods to ensure a strong communication link in order to accomplish the ultimate aim of developing a strong corporate culture (Tasavori et al. 2018).

Nguyen and Huynh (2012) distinguish between two kinds of networks: those with vertical linkages between superior and subordinate functions or between leaders and employees, and those with horizontal links between members and peers.

Dai et al. (2015) define internal social capital as the caliber of connections between individuals and departments inside a company. Employees or departments that have same aims and aspirations, keep their word, maintain their connections, don't hurt each other, and share information and knowledge are examples of this.

The firm's vision, which encourages the formation of productive teams and helps family members enhance corporate performance, is shared by all employees in a company with high social capital (Akintimehin et al., 2019).

Nguyen et al. (2023) identify, analyze, and measure the internal social capital of plastic and packaging enterprises in Hanoi and neighboring provinces by using qualitative and quantitative research methods. Based on an overview of previous studies and after interviewing experts, the study identified and analyzed six scales (component attributes) of internal social capital in plastic and packaging firms.

Leader social capital via business partner ingredients and internal social capital

Leadership is the use of influence to encourage members to participate in achieving set goals (Yukl, 2006). For leadership to be effective, Chemers (2002) suggests that leaders must focus on credibility and legitimacy, develop relationships through identifying the needs and motivations of subordinates, and deploy resources to meet set goals. Furthermore, leadership is based on their cognitive acumen and social relationship structure (Balkundi & Kilduff, 2006). An effective leader understands the social network relationships of members within and outside the organizational boundaries and can leverage the individual's network for his or her own benefit (Balkundi & Kilduff, 2006).

According to Nguyen and Huynh (2012), the leader's network includes family, friends, partners, government and colleagues. However, in the textile industry, through qualitative research, three components of leadership social capital were identified: industry associations, business partners and colleagues.

3. METHODOLOGY

Research models



Figure 1: Research model

Leader social capital via business partner ingredients (BP): Includes 3 observed variables (BP1, BP2, and BP3) inherited from the research results of Chu et al. (2024).

Internal social capital (ISC): Includes 6 observed variables (ISC1, ISC2, ISC3, ISC4, ISC5, and ISC6) inherited from the research results of Nguyen et al. (2023).

METHOD RESEARCH AND SAMPLE SELECTION

We designed a mixed method, both quantitative and qualitative, to explain the influence of leader social capital via business partner ingredients on internal social capital at logistics firms in Vietnam.

In order to find one factor that influenced internal social capital at logistics companies in Vietnam, we first applied the qualitative technique by reviewing prior research, field observation, and interviews. Since their research was grounded in international experience, we attempt to offer an improved framework by combining their findings, making necessary adjustments, including observation variables in the questionnaires, and applying them to the Vietnamese logistics industry.

We conducted a questionnaire survey of 9 observation variables on a 5-point Likert scale. Independent variables are measured from 1 "without effect" to 5 "strongly," and dependent variables are measured from 1 "without agree" to 5 "strongly agree." The research sample was 245 survey questionnaires (see table 1).

Table 1. Respondents' by genders and ages

	Frequency	Percent	Cumulative Percent
Genders			
Female	120	49.0	49.0
Male	125	51.0	100.0
Ages			
Less than 30 years old	92	37.6	37.6
From 30 to 40 years old	101	41.2	78.8
40 years old or older	52	21.2	100.0
Total	245	100.0	

Source: Prepared by the authors (2024) and SPSS software.

Information on the data collected is shown in Table 1. It shows that among them, 120 are female, accounting for 49.0%, and the rest are male, accounting for 51.0%. Respondents less than 30 years old accounted for 37.6%. From 30 to 40 years old, accounted for 41.2%; 40 years old or older, accounted for 21.2%.

Then, we use the quantitative component; SPSS software was used, which includes the use of questionnaires as inputs for descriptive statistics, reliability analysis of scales through Cronbach's alpha coefficient, EFA analysis, and correlation analysis to investigate the influences of each variable on internal social capital at logistics firms in Vietnam.

RESULTS

Descriptivestatics

Statistical results from Table 2 show that the survey subjects agreed and rated the independent variable and dependent variable average. Internal social capital (ISC) consists of six component attributes; all six attributes are rated on average at 3.327 or higher. Leader social capital via business partner ingredients (BP) consists of three component attributes; all three attributes are rated on average at 3.449 or higher.

Table 2: Statistical resultsdescribingcreativecultureinterpretation

	N	Minimu m	Maximum	Mean	Std. Deviation
Leader social capital via business partner ingredients (BP)					
BP1	245	1.0	5.0	3.449	.7591
BP2	245	1.0	5.0	3.551	.6913
BP3	245	1.0	5.0	3.637	.7318
Valid N (listwise)	245			3.546	
Internal social capital (ISC)					
ISC1	245	1.0	5.0	3.539	.9074
ISC2	245	1.0	5.0	3.580	.9182
ISC3	245	1.0	5.0	3.400	.8843
ISC4	245	1.0	5.0	3.473	.8709
ISC5	245	1.0	5.0	3.327	.8960
ISC6	245	1.0	5.0	3.441	.9547
Valid N (listwise)	245			3.460	

Source: Prepared by the authors (2024) and SPSS software.

Cronbach’s Alpha

By using scale analysis, it can eliminate inconsonant variables and reduce errors in the research model. Therefore, only variables with total correlation coefficients (corrected item-total correlation) greater than 0.3 and Cronbach’s alpha coefficients equal to or greater than 0.6 are accepted (Hoang & Nguyen, 2008; Hair et al., 2009). By analyzing Cronbach’s alpha analysis of determinants that have an influence on internal social capital (ISC) at logistics firms in Vietnam (1 determinant with 3 observed variables), the result is presented in Table 3. The result shows that all Cronbach’s alpha coefficients are above 0.6; all corrected items—the total correlation of observed variables—are above 0.3. Thus, all variables of the research model are suitable for the next analyses (Hair et al., 2009; Hair et al., 2014).

Table3: Results of analysis of Determinants Confidence of Scales in the Model

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Leader social capital via business partner ingredients (BP): 0.915, N = 3				
BP1	7.188	1.825	.817	.890
BP2	7.086	1.956	.850	.863
BP3	7.000	1.885	.824	.882
BP1	7.188	1.825	.817	.890
Internal social capital (ISC): 0.909, N = 6				
ISC1	17.220	14.681	.693	.901
ISC2	17.180	14.115	.778	.889
ISC3	17.359	14.280	.787	.888
ISC4	17.286	14.877	.698	.900
ISC5	17.433	14.345	.763	.891
ISC6	17.318	13.915	.772	.890

Source: Prepared by the authors (2024) and SPSS software.

Exploratory Factor Analysis

Subsequently, component analysis and variance were used to perform exploratory factor analysis (EFA), as indicated by tables 4, 5, and 6.

The KMO index is 0.757 and 0.902, respectively, greater than 0.5 (>0.5), according to the results of Bartlett's test used to investigate the hypothesis of correlation between observed variables. The extracted variance is 85.642% and 68.920%, respectively (>50%), meaning that these three and six observed variables account for 85.642% and 68.920% of the variation in the data. There is statistical significance (Sig. < 0.05) in Bartlett's test. Consequently, it can be said that the study's indicators satisfy the requirements of the EFA analysis (Hoang & Chu, 2008; Hair et al., 2009; Hair et al., 2014).

These statistics demonstrate that research data analysis for factor discovery is appropriate. Through the quality assurance of the scale and the test of the EFA model, we have identified three components of leader social capital via business partner ingredients and six components of the internal social capital of logistics firms in Vietnam (Hoang & Chu, 2008; Hair et al., 2014).

Table 4: KMO and Bartlett's Test

BPKMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.757
Bartlett's Test of Sphericity	Approx. Chi-Square	518.623
	Df	3
	Sig.	.000
ISC KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.902
Bartlett's Test of Sphericity	Approx. Chi-Square	886.840
	Df	15
	Sig.	.000

Source: Prepared by the authors (2024) and SPSS software.

Table 5: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
BP						
1	2.569	85.642	85.642	2.569	85.642	85.642
2	.241	8.038	93.680			
3	.190	6.320	100.000			
ISC						
1	4.135	68.920	68.920	4.135	68.920	68.920
2	.481	8.010	76.930			
3	.443	7.386	84.316			
4	.397	6.615	90.931			
5	.313	5.215	96.146			
6	.231	3.854	100.000			
Extraction Method: Principal Component Analysis.						

Source: Prepared by the authors (2024) and SPSS software.

Table 6: Component Matrix^a

BP	Component
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	1
BP2	.935
BP3	.923
BP1	.918
ISC	Component
	1
ISC3	.860
ISC2	.853
ISC6	.849
ISC5	.841
ISC4	.790
ISC1	.785

Source: Prepared by the authors (2024) and SPSS software.

Correlation Analysis

The results of the correlation matrix are indicated in Table 7. The correlation coefficients of leader social capital via business partner ingredients with one dependent variable are greater than 0, reflecting a positive relationship. The values of sig. are less than 0.05, which means that all variables are interrelated (Hair et al., 2009; Hair et al., 2014). Thus, it can be confirmed that leader social capital via business partner ingredients has an influence on the internal social capital of logistics firms in Vietnam.

Table 7: Correlations

		Leader social capital via business partner ingredients	Internal social capital
Leader social capital via business partner ingredients	Pearson Correlation	1	0.532**
	Sig. (2-tailed)		0.000
	N	245	245
Internal social capital	Pearson Correlation	0.532**	1
	Sig. (2-tailed)	0.000	
	N	245	245

Source: Prepared by the authors (2024) and SPSS software.

DISCUSSION AND IMPLICATIONS

Logistics determines the circulation of the entire supply chain of production and distribution of goods in the market economy. Therefore, the quality of logistics services of logistics enterprises plays a key role in determining the success of enterprises and the overall economy of each country.

The additional circulation process in the area of supplying goods and services to meet production and living needs is handled by logistics firms. Logistics firms offer services to satisfy client demands in addition to transporting goods produced by manufacturing firms. Complete, synchronous, quick delivery of goods at the scheduled time, place, and amount is one of these services. In addition to improving customer service, services can be used to effectively compete with competitors in order to attract new customers, expand into untapped markets, and increase revenue. Logistics firms must prioritize their customers, be customer-focused, innovative in all facets of their operations, and consistently raise the bar for meeting their ever-increasing expectations through service delivery and reasonable pricing in order to achieve this..

Over the course of their operations, logistics companies usually have to make difficult decisions, such as whether to enter new markets or create a competitive pricing strategy. Decisions Inadequate foundation may lead to undesirable consequences, such as missed opportunities or lost revenue. To lower this risk, businesses must collect essential market data and information to serve as the basis for their decision-making.

When introducing new products and services or entering new markets, most logistics firms rely significantly on market research. This strategy has many benefits, including horizon-narrowing, idea development, and risk minimization. From there, it helps companies achieve better business results.

Studying consumer behavior gives logistics firms the most natural and useful perspective. This allows them to create fictitious situations and ask customers for feedback. Logistics firms will therefore have better-prepared scenarios rather than having to rely only on data to predict problems.

Logistics firms should start using sustainable road transportation methods, such as converting to more efficient and environmentally friendly vehicles. Making the changeover to electric vehicles could be a solution that guarantees lower emissions. Logistics firms that invest in electric-fuel cars would benefit from a more economical and sustainable initial cost as compared to using vehicles that harm the environment.

Additionally, leadership serves as the connection between an organization's body and soul. A leader needs to be nice but not weak, forceful but not unpleasant, modest but not shy, arrogant but not cocky, and humorous but not foolish. As a result, it can be claimed that leadership serves as the organization's core, much like blood and brain do. Accordingly, leaders play a crucial role in guaranteeing the success of their organizations (Jabbar & Hussein, 2017).

Cooperating with large, experienced corporations in the world to develop logistics projects is a potential direction for logistics businesses to bring true value to customers.

Infrastructure is the key to improving the quality of logistics services in Vietnam. Upgrading and expanding logistics infrastructure will improve the efficiency and reliability of freight transport, benefiting domestic and international trade. Therefore, the government and logistics enterprises need to improve the road network, ports and terminals, inland waterways, air cargo infrastructure, railway connectivity, and warehouse facilities. Then, Vietnam will strengthen its logistics capacity, attract more foreign investment, and integrate deeper into the global supply chain. Improved infrastructure will help transport goods faster and more reliably, reduce costs and improve the overall quality of logistics services in the country. It requires close cooperation between the government, logistics enterprises and other stakeholders to ensure the successful implementation and sustainable growth of the logistics industry.

Adopting advanced logistics technologies is essential to modernizing the logistics industry in Vietnam and improving the quality of logistics services. Embracing innovative solutions can optimize various aspects of logistics operations, improve efficiency, and provide better visibility and communication across the entire supply chain.

By investing in employee skills and knowledge, such as technical training, safety and compliance training, technology adoption training, language and cultural training, and soft skills development, logistics firms can build a competent and customer-focused workforce, aiming for sustainable development.

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