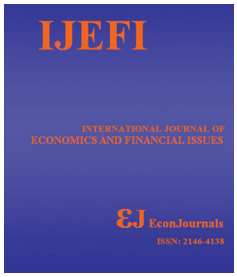

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Factors Affecting on the Restructuring of Vietnamese Textile and Garment Enterprises

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ABSTRACT

The challenges and difficulties which the Vietnamese textile and garment enterprises have been facing recently result not only from objective external environment such as the requirement to expand the market, international economic integration and the sustainable development trend but also from the internal environment of enterprises such as the inadequacies and weaknesses of the process of production and business activities, the organizational structure, capital structure in terms of global value added chain, technological level, labor productivity, especially the requirement of innovation in approaches to management. Consequently, restructuring has been addressed by many researchers and the Vietnamese textile and garment enterprises. In fact, restructuring is always affected by many factors. However, identifying such factors is unclear and unspecific. The extent of their influences has not been clarified and tested. If the Vietnamese textile and garment enterprises want to conduct the restructuring successfully, it is necessary to do research into the extent that factors affecting their restructuring.

Keywords: Restructuring, Vietnamese Textile and Garment Enterprises, Business Administration
JEL Classifications: L20, M10, M21

1. INTRODUCTION

The international economic integration is opening up a great opportunity for developing the Vietnamese economy. In fact, in recent years, the Vietnamese textile and garment enterprises have developed strongly, become key enterprises and made an important contribution to the economy. According to the statistics of General Department of Viet Nam Customs (2016), the textile and garment enterprises rank among the top ten in terms of the export turnover of the country. They earned 28.56 billion US dollars which accounts for 15.65% of the total export turnover of Vietnam and 12.64% of GDP. The Vietnamese textile and garment products have been exported to over 180 countries with the average growth rate of 15.45%. There are more than 6,700 textile and garment enterprises with about 2.5 million employees. The Vietnamese textile and garment enterprises have a lot of weaknesses and are facing threats, for example, added value in the global value chain is weak, outsourcing to foreign countries accounts for over 80% of their revenue, domestic market is small, labor productivity is low, and the sustainable development trend is not clear.

Nowadays enterprises must be flexible to adapt to changes in the business environment and changing for survival is a prerequisite for businesses operating in a market-oriented economy like Vietnam. Therefore, restructuring enterprises increasingly becomes an urgent problem and a strong pressure for the textile enterprises due to the requirement of innovation in economic structure and the volatility in the market economy. Then, what factors affect the restructuring and how to improve the process for restructuring Vietnamese textile and garment enterprises are the interesting problems which need to be researched.

The reminder is organized as follows. Section 2 provides a literature review on the restructuring of enterprises, regarding both theoretical and previous empirical work. Section 3 presents conceptual framework. Sections 4 and 5 are for research

methodology and results. Sections 6 and 7 show the solutions and significances of the study. And the last section is the conclusion.

2. THEORETICAL BACKGROUND

2.1. Literature Review

Allen (1997) said that the restructuring of enterprises can be seen as a manifestation of radical change of the old process and redesigning completely a new process to focus on customers. The result is to create a truly new one in the market with strong vitality and high competitiveness, better than the old one. However, this argument is not a sufficient basis to ensure the success of the re-established.

Hammer and Champy (1993), the authors of "Reengineering the Corporation", said that Re-engineering is re-thinking fundamentally and redesigning radically the business process to achieve dramatic improvements to the core indicators and temporariness as price, quality, and service.

In addition, the concept of corporate restructuring is also associated with restructuring business processes (Business Process Reengineering - BPR). According to the description of the United States General Accounting Organization Office (1997), this concept allows to change completely the traditional business concept into new principles of modern management and service provision. Previously, businesses were founded and built upon great inventions of Adam Smith which divide the work into simple and basic stages. Today businesses are set up and built on the unity of the thinking process to carry out seamless business processes. However, the implementation of restructuring in this way is not always easy and successful.

Lawrence and Lorsch (1967) from the University of Harvard, the restructuring must be attached to the structure of the organization because the organizational structure is not something immutable. On the contrary, it is an important factor related to the success of restructuring and needs to be changed and redesigned. However, they did not provide a standard model for the restructuring of the organization.

According to Gilson (2010), enterprise restructuring is related to the whole process of creating the business value. The corporate restructuring aims at streamlining operations, sections, steps to coordinate activities in order to improve the efficiency of business operations. The restructuring of the business results from the fact that strategic business opportunities appear, corporate administration is weak; the business process is ineffective, and the competition is increasingly fierce; macroeconomic situation is unstable, changes in technology, policy and tax laws. However, there is still a lack of a solid basis to ensure the success of restructuring.

In Vietnam, the government and enterprises are very interested in the restructuring. Since 2000 the Government has established the Steering Committee for innovation and development of enterprises with a Deputy Prime Minister as its head according to Decision No. 98/2000/QD-TTg dated 17/08/2000 of the Prime Minister Government. The restructuring of enterprises derive from the inner pressure such as the pressure to match the scale of growth and development of the business; pressure to prevent the bankruptcy of the business; or the external pressures such as equalization policy, policy of international economic integration, joining AFTA, WTO, TPP. (do Tien, 2013). However, the paper only focused on the role of leaders who have a decisive effect on the success of the restructuring activities.

2.2. Related Previous Studies in Vietnam

Khai and Nhung (2011) proposed a new concept of the value chain of the textile sector in Vietnam and useful analysis for restructuring research. However, this study was limited to the category of value chain.

Vo Phuoc and Thu (2009) indicated that the status and quality of human resources could not catch up with the requirements of the world market. However, the author did not offer comprehensive solutions.

According to Ngo (2012), corporate restructuring is necessarily associated with the restructuring of all the resources of the company. However, the author emphasized only the organizational factor.

Phan (2010) had codified the rationale for capital restructuring and recommended some solutions to capital restructuring in textile and garment enterprises in Ho Chi Minh City in order to improve their competitiveness in the domestic and foreign markets. However, the study only focused on the aspect of funds.

2.3. General Comments on the Situation of Research and Implication for Future Research

It can be seen that the restructuring is still considered as a small change, a natural adjustment. However, restructuring requires an innovative way of thinking in management activities.

This paper regards the restructuring as an urgent need "vital" for the pressure of the change of business environment and the pressure of the context of international economic integration.

The previous studies suggest that restructuring should change or restructure each issue separately, for example, strategy, organization or funding. There structuring needs to be synchronized with all the resources in a harmonized manner. In particular, the role of business leaders is very important.

The previous studies did not pay attention to the factors affecting the restructuring. Our study will focus on analyzing such factors by using mixed methods including both qualitative and quantitative in order to identify and assess the extent of impact that factors have on the restructuring by discovering new elements, building a scale, a model of testing and a model of adjusting the factors affecting the restructuring.

3. CONCEPTUAL FRAMEWORK

3.1. Key Term Definitions

3.1.1. Restructuring

Restructuring is the whole process of changing business strategies; redesign business processes; Re-establish the structure and

organization; and other resources system such as capital, human resources, technology, investment in order to achieve the goals in the business environment conditions fluctuate (Hammer and Champy, 1993).

3.1.2. Business strategy

The term "business strategy" can be understood in these contents, including: setting goals, long-term vision; master plan; allocation of resources. on the basis of selecting a suitable plan and create a difference with competitors. In other words, the business strategy is to determine the direction for the business in the long term, as the guideline for all activities of the business. Changing business environment, market factors such as technology, needs and satisfaction of customer's changes increasingly create opportunities and challenges for enterprises, it has changed the business strategy and corporate objectives.

For example, the textile and garment enterprises in Vietnam, due to the needs of customers diverse increasingly, companies must move from strategy producing a "mass" has been applied over the years to produce under "orders or contracts". To implement new business strategies, business to redesign the management structure as well as production system in order to create flexibility in the management and administration. At the same time, businesses also need to analyze and review business processes through the value chain of products and services if they could fit with business strategy has changed or not?

In short, the business strategy is an important factor in the formation of corporate structure and orientation of the enterprise.

3.1.3. Organization structure

There are many different conceptions of organizational structure of the enterprise:

According to the classical conception of the organization management, said that the administration and coordination within the enterprise will completely rely on the senior management team to resolve, employees must obey the command of director. This kind of organizational structure enhanced manager class. However, the weak point of this concept is not actively encouraged by the staff. For large-scale enterprises such as corporations, the Group is the production structure is very complex. If company based solely on the senior management so staff is difficult to coordinate work together in order to achieve the objective of the company.

According to the modern conception of the organization management has stressed the importance of employee factor in the enterprise. The structure of the organization is formed from specific production tasks and qualities of personnel and organizational structure to the business is a very important issue affecting the success of the business. This concept was relatively overcome the limitations of the first conception, but in fact this view only consider the elements of the organizational structure of the successful enterprises, rather than making effective solution to troubleshoot and solve organizational structure of the weak enterprises.

In addition, according to the theory of organizational design of Lawrence and Lorsch (1967), there are two basic concepts is the difference and the synthesis. Accordingly, each unit of production enterprises are a small unit of the enterprise and between them there are differences in organizational structure, differences in the level of awareness and the thought of the administrator. That is the concept of the difference in the organization. However, differences which require the ability to collaborate certain internal operating businesses. That is the concept of synthesis enterprise.

In short, "the company's organizational structure is the arrangement, arranging everyone in the company to the position, the specific job, and is a combination of different parts, with linkages and relationships interdependence, in order to perform business tasks of the business ". In other words, the organizational structure includes: Structure of management and structure of production.

3.1.4. Business process

Tennor and de Toro (1997) said that the process is the provision of the output value is greater than the input by one or more of the changes.

Recently, the objective of the business enterprise is now trading towards profitable growth and development. To achieve these objectives, the business processes always exist, and through this process to achieve their goals. Summary, the process is a set of activities impact on the inputs to produce output elements, and define the specific work, start time, end time, determined location, and the input and output elements.

From the above approach, we can provide a definition of the concept of business process as follows: "The Business Process" means activities designed to produce products that meet customer needs and markets. These activities are the connections between people, technology, materials, methods and environments to create products and services. Unlike simple process, business process is linked to the satisfaction of customer needs (Figure 1).

Business processes are divided into three categories: Core processes, support processes and administration processes (Figure 2).

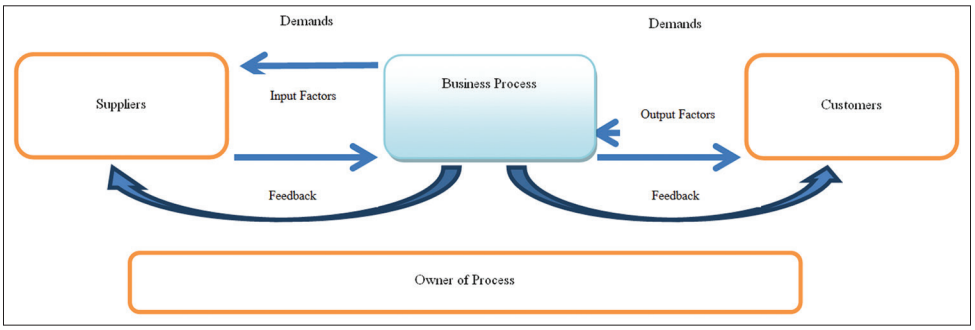
3.1.5. Core process

This process will directly create value from the customer, to meet the requirements and satisfy customers from outside. The term "core" is used to distinguish and emphasize the importance compared with other processes. This is a strategic weapon to achieve the organization's goals and enhance their competitiveness in the market.

3.1.6. Support process

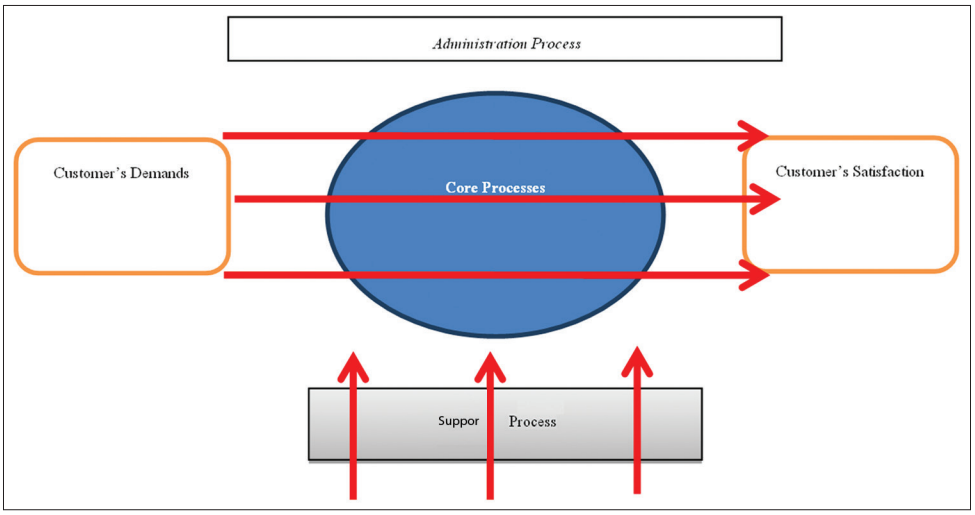
This process is defined as the process of functional and we have relationships with each other through the core process. Support process focused on satisfying customers from inside, creating value through indirect support core processes or directly creates value by providing a suitable working environment.

Figure 1: Business process model



Source: Tennor and de Toro (1997)

Figure 2: Business Process



Source: Tennor and de Toro (1997)

3.1.7. Administration process

This process involves the management and administration of both the core and support processes. The process of mutual support in order to perform tasks in the most efficient manner, to achieve business goals.

To better understand the process and the necessity of forming processes in the enterprise, we need to distinguish two concepts: Processes and procedures.

With ISO 9000, two concepts above are defined as follows: Process is a set of one or more related operations transferred inputs into outputs; Procedure is a method to perform a specific activity or a process.

Thus, the process is not synonymous with a process, or in other words a process can have multiple processes and vice versa. The process is defined and recognized by the input and output and the decision by the customer, and the process is usually determined by experience, expertise and desire of the owner or manager. Therefore, the customer is considered core elements and considers customer satisfaction is the goal, while ignoring the process to meet the requirements of customers. The process from input to output carries natural attributes objectively. But the process is subjective perception of people about the process, technology and technical regulations to implement the process. Therefore, this process can, and must match that of other technologies.

For example, for the textile and garment enterprises in Vietnam can have the same ordering process in every business. However, the process can be very different and includes many steps depending on customers. So many different reasons, but the process is often slow down the metabolism of inputs into outputs. And the action slows metabolism activities that do not create value added. Therefore, when building processes need to simplify the process and eliminate the activities in the process to slow down the process.

In short, the business is one of the basic factors make characteristics and values profits for businesses in the manufacturing business activity.

3.1.8. The capital structure

The capital structure is a very important issue of all businesses in all stages of production to conduct business or provide service. The share option for which one type of capital to businesses achieve optimal efficiency is the goal that the enterprise management.

Before the twentieth century, economists have studied the capital structure of the business in a way that traditional look to choose between debt capital and equity ownership.

The theoretical and experimental studies show that the profitability; Tangible fixed assets; tax; company size; growth opportunities; specific characteristics of the company's assets (uniqueness); liquidity… are factors affecting the company's capital structure.

Restructuring activities that are taking place in response to the decline in sales due to economic difficulties encountered (e.g., after the crisis) or the temporary concerns about the overall economy. The cost of the business can be reduced by combining the branch or division, re-arranges the tasks and reduces personnel, or cut production at several establishments owned by the enterprise. At that time, the focus restructured to support the existence of the business in a difficult market, instead of expanding the market share of the enterprise

3.1.9. Human resource

Modern perspective views that people and human resources is the decisive factor in the country's development period of industrialization and modernization. Human resources is one of the important factors and crucial to the operation as well as the survival and development of enterprises in terms of integration and competition fierce. Human resources can play a key role for the reception and exploitation factors other resources (capital and technology) and enhance the potential of these resources. No business can survive strongly, not to mention development of business integration environment currently without a team of qualified staff, first of all know how to access and use the IT service business and production activities. Human resources must be qualified, highly professional level. This is a basic requirement to improve labor productivity. Staff must be aware of the organization and disciplined, principled and professional work. Human resources must be able to adapt and react quickly to changing conditions and working environment. Therefore, the restructuring of human resources in order to improve staff textile enterprises environment suitable for integration is required and indispensable.

3.1.10. Technology

Technology is a creation, alteration, use of, and knowledge of tools, machinery, technical, vocational skills, systems, and methods of organization in order to solve a problem, improve a solution already exists, reaching a goal, or perform a specific function. Technology can also refer to a collection of such tools, including machinery, arrangements, or the process. Technology significant impact on the ability to control and adapt the human and other animals in their natural environment Technological innovation is the replacement of part or all of the technology being used by another technology more advanced, more efficient. Technological innovation can to increase productivity, quality and efficiency of the manufacturing process or can to create a product, new service to serve the market.

In an international environment fierce competition, today, technology is seen as a strategic tool for rapid development and sustainability. This fact is now set for the urgent demands of technological innovation, in order to improve quality and reduce production costs, create competitive advantage in the market…

3.1.11. Sustainable development

The term "Sustainable Development" appeared the first time in 1980 in print "The World Conservation Strategy" (published by International Union for Conservation of Nature and Natural Resources - IUCN) with a simple content: "The development of mankind cannot focus solely on economic development but also to respect the essential needs of society and the impact on the ecological environment". However, this strategy emphasizes sustainable development in terms of ecological sustainability with three goals: Maintaining ecosystems and the basic life-support systems; conservation of genetic diversity; ensure sustainable use of species and ecosystems.

The concept of "sustainable development" was officially published and widely disseminated in 1987 through the report (also called our common future report) of WCED of the United Nations. The report stated that "Sustainable development seeks to meet the development needs of present generations without compromising the ability of future generations to meet their own need". The objective of sustainable development which WCED make is how to achieve development in the present without compromising the lives and future development.

Content of sustainable development was reaffirmed at the Earth Summit on Environment and Development in Rio de Janero (Brazil) in 1992 and the World Summit on Sustainable Development in Johannesburg (Republic South Africa) 2002. Sustainable development is generalized in three aspects, including economic development, social development and environmental protection. Three incorporate this aspect, reasonable, harmony in the development process. The participants also agreed the basic principles, launching an action plan for sustainable development called Agenda-21. Since then, the Agenda 21 for Sustainable Development and the Millennium Development Goals have become a strategy of global growth and focus on implementation.

Sustainable development is known in Vietnam in the late 1980s early 1990s. Based on the available concept and from the actual development of the country, the Vietnamese economic studies have taken a basic on sustainable development for the implementation of the development goals of the country. It is a healthy development, including the development of the individual does not damage to the interests of other individuals or the community; the development community of people do not damage to the interests of other communities; the development of today's generation does not infringe upon the interests of future generations and the development of human life is not threatened longer or degrade habitat for other organisms on the planet.

In summary, from the above concepts, sustainable development is defined as follows: "Sustainable development seeks to meet the development needs of present generations without compromising the ability of future generations to meet their own need. It is the tight, logical and harmonious combination between 3 aspects: Economic development, social development and environmental protection".

3.2. The Proposal Research Model

Model enterprise restructuring is now common for researchers and management consultants in the world appreciate the McKinsey 7S model. While some models of organizational effectiveness go in and out of fashion, one that has persisted is the McKinsey 7S framework. Developed in the early 1980s by Tom Peters and Robert Waterman, two consultants working at the McKinsey & Company consulting firm, the basic premise of the model is that there are seven internal aspects of an organization that need to be aligned if it is to be successful (do Tien Long, 2013).

The 7S model can be used in a wide variety of situations where an alignment perspective is useful, for example, to help you: Improve the performance of a company; Examine the likely effects of future changes within a company; Align departments and processes during a merger or acquisition; Determine how best to implement a proposed strategy.

The McKinsey 7S model involves seven independent factors which are categorized as either "hard" or "soft" elements:

Hard elements	Soft elements
Strategy	Shared values
Structure	Skills
Systems	Style
	Staff

"Hard" elements are easier to define or identify and management can directly influence them: These are strategy statements; organization charts and reporting lines; and formal processes and IT systems.

"Soft" elements, on the other hand, can be more difficult to describe, and are less tangible and more influenced by culture. However, these soft elements are as important as the hard elements if the organization is going to be successful.

The way the model is presented in Figure 3 depicts the interdependency of the elements and indicates how a change in one affects all the others.

4. RESEARCH METHODOLOGY

4.1. Research Design

4.1.1. Research method

A mixed research method, combining qualitative research and quantitative research methods.

4.1.2. The process of research design

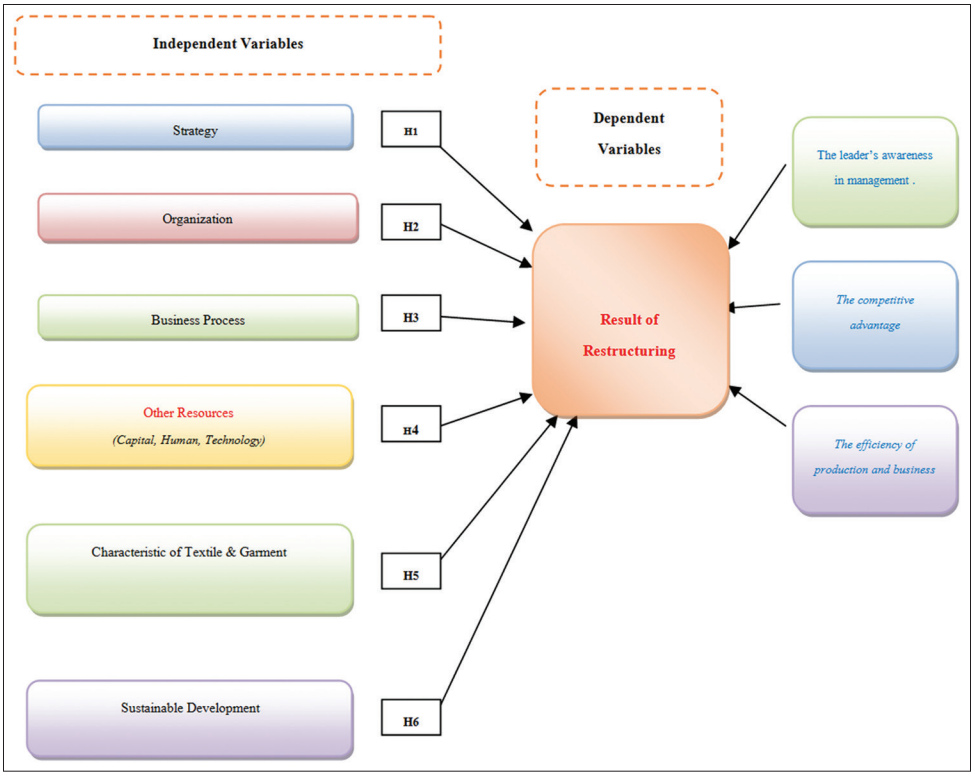
Step 1: Summary of previous studies related to the restructuring in the world and in Vietnam. Thus, define the limitations of the study and classification and synstudy of factors are thought to influence the research topic and explain what factors affect the restructuring, in order to answer the research questions.

Q1: How may the current status of Vietnamese textile and garment enterprises be analyzed in terms of strengths, weaknesses, opportunities and threats?

Q2: What are the factors that affect the restructuring of Vietnamese textile and garment enterprises?

Step 2: Collect data service for qualitative research, aimed at the following Analyze and evaluate the current state of the textile and garment enterprises in Vietnam. At the same time, to conduct

Figure 3: Proposal research model



expert interviews with the aim to answer the following research question:

Q3: How may these factors influence the success of the restructuring of Vietnamese textile and garment enterprises?

Step 3: Collect data service for quantitative research. Quantitative research will be used next to the purpose of providing evidence that these factors are identified from previous studies and the factors detected in step qualitative study correlated with restructuring and measure the impact of each factor through factor analysis to explore and multiple regression models to answer the following research question:

Q4: What solutions can be proposed to Vietnamese textile and garment enterprises to improve the restructuring process?

4.2. Sample

This study used factor analysis method exploratory factor analysis (EFA), model studies in the study has 42 measurement variables. Therefore, the minimum sample size is $42 \times 5 = 210$ observations. To achieve the proposed sample size and to prepare for the case of errors or missing information must be removed, the author decided to use 300 questionnaire interviews to conduct the survey.

The scale used in this study is the Likert scale.

Information was collected through surveys sent 300 votes were given to 300 subjects textile enterprises by way email, fax, post and send direct mail. Questionnaires for the collection of otherwise eligible will be removed immediately. There are 45 votes invalid surveys were excluded due to not complete the question or false information, to empty more than 10% of questions. Finally 255 valid surveys were used. Thus, the final sample size was n = 255. Data entry and cleaning through software SPSS 18.0.

4.3. Research Instruments

4.3.1. Dependent variables

The dependent variable in this study is "the result of restructuring". However, restructuring is an abstract concept and is a latent variable. Therefore, it cannot be measured directly. To overcome this obstacle, researchers often use the variable assigned to indirectly measure the effectiveness. In this case, the dependent variable is measured by three variables specified were: The changing views and perceptions about the restructuring of the leaders; the competitive advantage; the efficiency of production and business.

4.3.2. Independent variables

The independent variables are variables affecting the process of restructuring the Vietnamese textile and garment. Specifically: Business strategy; organization structure; business process; other resources (capital, human resource, technology); characteristics of Vietnam's garment enterprises; sustainable development.

4.4. Data Collection

4.4.1. Source of Data

Study period: From 2005 to 2016.

Secondary data, including:

- Reports of the Vietnam Textile and Apparel Association (Vitas)
- The statistics of the General Department of Statistics, General Administration of Customs
- Data of VINATEX
- Data from the consulting firm restructuring.

Primary data

- Through expert interviews, questionnaire survey and focus group discussions.
- Data interviews textile enterprises, measured, tested, analyzed explore factors, regression analysis.

4.4.2. The Process of Collecting and Recording Data

- Making interviews in-depth with experts
- Development scale

Based on the results of in-depth interviews focused on this, the authors adjusted the draft scale become the formal scale in order to design the questionnaire used for quantitative research.

The members of expert's interviews agreed and showed 42 observed variables on the textile and garment enterprises restructuring.

Next, the study decides to use a Likert scale of 5 levels. Seven (7) scale factors having impact on the restructuring are found to be:

Scale set - Business strategy factors: Signal is STR, including 6 observed variables from STR1 to STR6

Including actors related to the restructuring of business strategies as needed, competitive pressures and market volatility. The task of changing business strategies and determine the goals, mission and strategic vision. In particular, business strategy oriented to customer, customer focus is appropriate.

Scale set - Organization structure factors: Signal is ORG, including 8 observed variables from ORG1 to ORG8

Includes the complete factor in organizational linkages, innovative thinking and cognitive restructuring of each member. In particular, the introduction of the model focused on the customer.

Scale set - Business process factors: Signal is PRO, including 6 observed variables from PRO1 to PRO8

Factors may include tasks to change business processes at each stage of the value chain of the enterprises globally. Emphasizing the importance of core values, as well as the effectiveness of tools business process management – BPM.

Scale set – Other resources factors: Signal is OTH, including 7 observed variables from OTH1 to OTH7

Including these factors promote the full potential of enterprise internal resources such as capital structure, human resource development and technological innovation.

Scale set – Characteristics Vietnamese textile and garment enterprises factors: Signal is CHA, including 7 observed variables from CHA1 to CHA7

Including these factors represent the characteristics of the textile and garment enterprises in Vietnam. At the same time, highlight the current state of the textile enterprises with the difficulties that affect the result of the corporate structure.

Scale set – Sustainable development factors: Signal is SUS, including 5 observed variables from SUS1 to SUS5

Including factors related to the concept of restructuring towards sustainable development revolves around three pillars of economic, social and environmental.

Scale set – Result of restructuring factors: Signal is RES, including 3 observed variables from RES1 to RES3.

5. RESULTS

5.1. Cronbach's Alpha

Results of test reliability of the scale factor shows all variables are satisfactory corrected item-total correlation >0.3 and Cronbach's alpha >0.6.

5.2. Explore Factor Analysis - EFA

To conduct explore factor analysis EFA, the study divided into two main groups of factors follows:

Group of factors affecting restructuring: 39 variations observed in 6 groups of factors affecting restructuring, namely: (1) Strategy, (2) organization, (3) business processes, (4) other resources, (5) characteristics of the enterprises, (6) sustainable development

Group of restructuring result: 3 variables observed.

5.2.1. Result analysis of group of factors affecting restructuring

The Extraction Method "Principal Component" with rotations "Varimax" used in analysis scales factor independent components

The process of factor analysis to eliminate the variables in this study was done in 3 steps:

Step 1: 39 observed variables/6 observed variables, STR6, PRO5, PRO4, OTH1, OTH7 and OTH2 be removed.

Step 2: After to eliminate 6 observed variables in Step 1, remaining 33 observed variables/6 observed variables, ORG8 and OTH3 be removed.

Step 3: After to eliminate 2 observed variables in Step 2, remaining 31 observed variables are continued to analysis again under such conditions. The result has 8 factors were extracted with Eigenvalue >1 and the total variance extracted = 61.718% showed 8 factors explained 61.718% of the data variability. KMO coefficient = 0.909 > 0.5 is satisfactory. With Varimax rotation showed that all observations are transmission coefficients to the factors is satisfactory below conditions (Table 1).

5.2.3. Results of analysis results of restructuring factor

3 observed variables included in the factor analysis standard Eigenvalue >1, there were 1 factor was extracted. The total variance extracted = 72.788%, it said this factor explain 72.788% of the data variability. KMO coefficient = 0.712 > 0.5 is satisfactory. With Varimax rotation showed that all observations are transmission coefficients correspond to the factors above stated conditions (Table 2).

To conduct regression analysis, the factors to be renamed to match the components of each factor, the research model was adjusted with the new elements or new name instead of some factors originally.

5.3. Model and Hypotheses Adjustment

The adjustment model is presented in Figure 4.

Table 1: Rotated component matrix with Varimax (N=255)

Rotated component matrix[a]								
	Component							
	1	2	3	4	5	6	7	8
ORG7	0.671							
ORG6	0.668							
ORG1	0.660							
ORG4	0.622							
ORG5	0.599							
ORG3	0.592							
STR4		0.726						
STR3		0.721						
STR1		0.660						
STR5		0.592						
PRO6		0.547						
SUS1			0.769					
SUS2			0.669					
SUS4			0.664					
SUS5			0.558					
SUS3			0.528					
CHA4				0.782				
CHA5				0.732				
CHA3				0.564				
CHA1					0.772			
CHA2					0.607			
PRO1					0.575			
PRO3					0.510			
OTH5						0.792		
OTH6						0.694		
OTH4						0.633		
STR2							0.673	
PRO2							0.652	
ORG2	0.540						0.579	
CHA6								0.722
CHA7								0.508

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. [a]Rotation converged in 7 iterations.

Table 2: Analysis result of restructuring Factor

Component	Eigenvalue	Cumulative%
RES	2.184	72.788

5.4. Measuring the Influence of Variables in the Adjusted Model

Testing the assumptions of regression models:

a) Testing correlations

According to the results of the analysis showed that the relationship between the entire eight independent variables include: (F1) Organization, (F2) strategy, (F3) sustainable, (F4) characteristics, (F5) size - style and process, (6) others, (F7) weakpoints, (F8) material and the dependent variable (F9) result of restructuring related closely ($0.416 \leq r \leq 0.563$). Therefore, these components are acceptable.

b) Testing collinearity diagnostics

Regression model with 8 independent variables has VIF<10 and the tolerance <1, Eigenvalue <1, condition index <30. Regression model does not violate the conditions of multicollinearity (Table 3).

c) Testing the residuals have standard distribution

Results of the analysis showed that mean values are very small (close to 0) and standard deviation (standard deviation = 0.984) approximately 1 should be able to conclude that standard distribution assumption is not violated (Figure 5).

d) The phenomenon of correlation between the residual

Table 4 show the value d=1.858 approximation 2, that is acceptable assuming no correlation between the residuals.

e) Analysis regression model

Result of Regression Analysis as flowing in Table 5.

f) Testing hypothesis

Hypothesis H1: Is not accepted, because the significance level of significant = 0.397 is >0.05, meaning that the organization did not affect the result of restructuring.

Hypothesis H2: Is accepted with a significance level of significant < 0.05 and beta = 0.239, meaning that the strategy is more appropriate then the result of restructuring is higher.

Hypothesis H3: Is accepted with a significance level of significant < 0.05 and beta = 0.161, meaning that the sustainable is higher then the result of restructuring is higher.

Hypothesis H4: Is accepted with a significance level of significant < 0.05 and beta = 0.226, meaning that the characteristics are identified more precision then the result of restructuring is higher.

Hypothesis H5: Despite significant approximately 0.05 (significant = 0.053), but in the process of qualitative surveys and expert interview, the authors found that size – style and process have meaningful and significant impact on the result of restructuring. Therefore, the authors decided Hypothesis H5 is accepted. That

Figure 4: Adjustment model

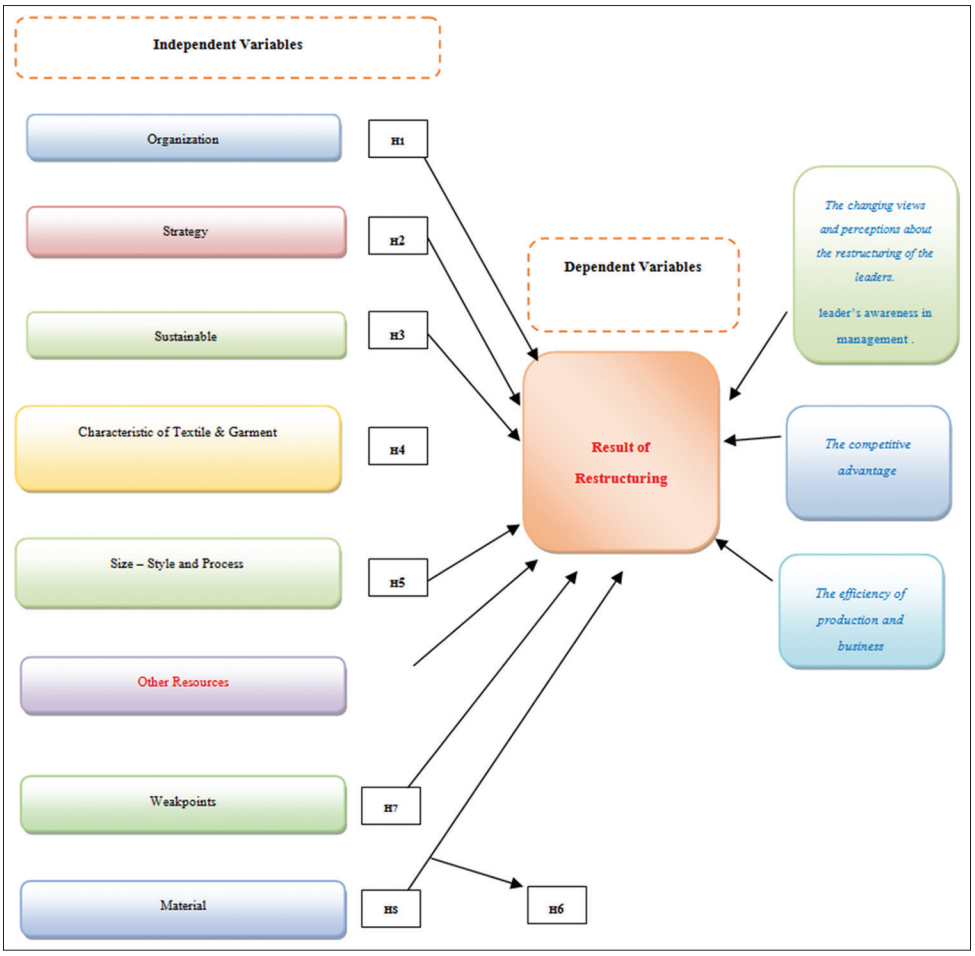


Table 3: Testing tolerance and VIF coefficients[a]

Model	Unstandardized coefficients		Standardized coefficients	t	Significant	Collinearity statistics	
	B	Standard error	Beta			Tolerance	VIF
1							
(Constant)	0.278	0.248		1.118	0.265		
F1	0.056	0.066	0.050	0.848	0.397	0.592	1.688
F2	0.257	0.069	0.239	3.723	0.000	0.508	1.969
F3	0.184	0.072	0.161	2.548	0.011	0.526	1.900
F4	0.236	0.061	0.226	3.881	0.000	0.620	1.614
F5	0.136	0.070	0.122	1.946	0.053	0.530	1.887
F6	0.126	0.049	0.138	2.563	0.011	0.718	1.392
F7	−0.056	0.060	−0.057	-0.930	0.353	0.559	1.788
F8	0.042	0.051	0.047	0.818	0.414	0.642	1.557

[a]Dependent variable: F9

Table 4: Testing Durbin-Watson

Model summary[b]					
Model	R	R^2	Adjusted R^2	Standard error of the estimate	Durbin-Watson
Dimension0					
1	0.696[a]	0.484	0.467	0.56867	1.858

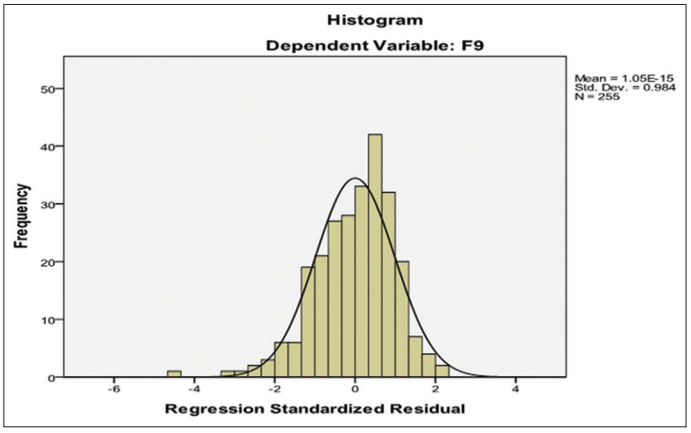
[a]Predictors: (Constant), F8, F1, F6, F4, F7, F5, F3, F2, [b]Dependent variable: F9

Table 5: Result of regression using enter method coefficients[a]

Model	Unstandardized coefficients		Standardized coefficients	t	Significant	Collinearity statistics	
	B	Standard deviation	Beta			Tolerance	VIF
1							
(Constant)	0.278	0.248		1.118	0.265		
F1	0.056	0.066	0.050	0.848	0.397	0.592	1.688
F2	0.257	0.069	0.239	3.723	0.000	0.508	1.969
F3	0.184	0.072	0.161	2.548	0.011	0.526	1.900
F4	0.236	0.061	0.226	3.881	0.000	0.620	1.614
F5	0.136	0.070	0.122	1.946	0.053	0.530	1.887
F6	0.126	0.049	0.138	2.563	0.011	0.718	1.392
F7	−0.056	0.060	−0.057	−0.930	0.353	0.559	1.788
F8	0.042	0.051	0.047	0.818	0.414	0.642	1.557

[a]Dependent variable: F9

Figure 5: Frequency chart histogram



is, the size – style and process have been identified more exactly, the result of restructuring is higher.

Hypothesis H6: Is accepted with a significance level of significant < 0.05 and beta = 0.138, meaning that the other resourses are higher then the result of restructuring is higher.

Hypothesis H7: Is not accepted, because the meaning significant = 0.353 is >0.05, meaning that the weakpoints did not affect the result of restructuring.

Hypothesis H8: Is not accepted, because the meaning significant = 0.414 is >0.05, meaning that the material did not affect the result of restructuring.

g) General Regression Model of Restructuring Result:
Result of restructuring = 0.239 strategy+0.161 sustainable+0.226 characteristics+0.122 size-style and process+0.138 other resourses

The regression results show that:
"Strategy" is the biggest affecting factor to result of restructuring (standardized coefficient beta = 0.239 is the largest). The beta coefficient is positive also shows the relationship between "strategy" and "result of restructuring" is the positive relationship. That is when the business defined mission, vision and goals development are right, building appropriate strategic direction, promote the competitive advantage the best, improve economic efficiency

for business the larger then Result of restructuring is higher. In particular, the increasing relevance of strategic business into one standard deviation unit, then the result of restructuring increase 0.239 standard deviation units with confidence level is 95%.

Same presentation, characteristics, sustainable, others and finally is size-style and process factors are positive and influence to the result of restructuring.

Three factors remaining: Organization, weakpoints and material do not affect the results of restructuring should be studied further in the future.

In addition, the authors using T-test comparing the mean value of the components affect the results of restructuring with the midpoint value of the scale (normal = 3) to assess. Overall, the results restructuring are relatively high, expressed in mean value = 3.9261. Testing results show that, with the significance significant <0.05 in all variables, although the average results are higher than the midpoint of the scale, but not up to the value resulting restructuring = 4 in the questionnaire (Tables 6 and 7).

6. SOLUTIONS FOR VIETNAMESE TEXTILE AND GARMENT ENTERPRISES

6.1. Business Strategy

Vietnam's textile and garment sector is in the trend of integration, strategic industries is a key towards the export sector, to meet the demand of domestic and international economic integration. This strategy shows the textile enterprises has many opportunities for quantitative orders, customers are more and more complex. In fact, it raises the administrative issues are more complex and need more control, it is essential that businesses need to improve their administration.

6.2. Business Process

Currently only a small number of Vietnamese textile and garment enterprises are with business processes. Facing disadvantages and difficulties, the authors suggest business processes to business. As featured textile technology, process orders and production companies do not differ much, it should be able to establish common processes for businesses (Figures 6 and 7).

Solutions on formating supply chain value added for Vietnamese garment sector.

Moving away from CMT (cut - make - trim) processing to these methods has an added value, on the basis of global value chain, as follows:

FOB - Free on board (buy materials - sell products): This form of purchase of raw materials and sell products, instead of outwork.

ODM - Original designed manufacturer (self design, produce and sell products): This is a form of production that manufacturers provide all related services for customers such as research, development and production.

OEM - Original equipment manufacturer (own raw materials and equipment are used): This model is produced from the

Table 6: The average of the results of restructuring

One-sample statistics				
	N	Mean	Standard deviation	Standard error mean
F9	255	3.9261	0.77914	0.04879

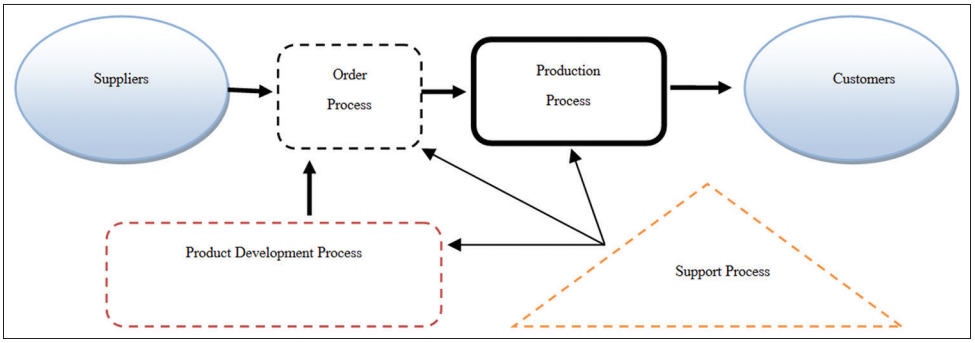
One-sample test						
	Test value=3					
	t	df	Significant (2-tailed)	Mean difference	95% confidence interval of the difference	
					Lower	Upper
F9	18.982	254	0.000	0.92614	0.8301	1.0222

Table 7: The average value of the factors affecting the results of restructuring

One-sample statistics				
	N	Mean	Standard deviation	Standard error mean
F2	255	3.7349	0.72590	0.04546
F3	255	3.8478	0.67979	0.04257
F4	255	3.8078	0.74426	0.04661
F6	255	3.4974	0.85432	0.05350

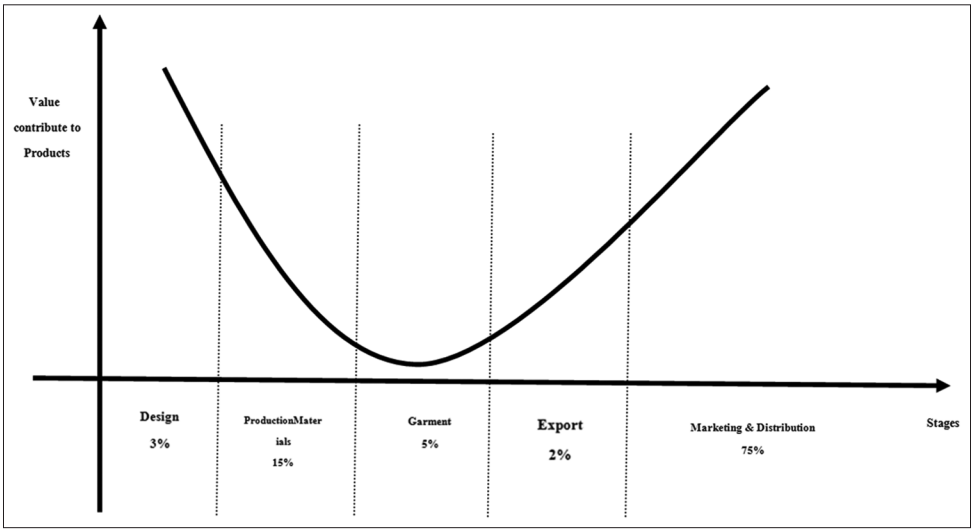
One-sample test						
	Test value=3					
	t	df	Significant (2-tailed)	Mean difference	95% confidence interval of the difference	
					Lower	Upper
F2	16.167	254	0.000	0.73490	0.6454	0.8244
F3	19.916	254	0.000	0.84784	0.7640	0.9317
F4	17.333	254	0.000	0.80784	0.7161	0.8996
F6	9.297	254	0.000	0.49739	0.3920	0.6027

Figure 6: Model of core processes and support processes proposedapply for Vietnamese textile and garment enterprises



Source: Ngo (2012)

Figure 7: Value added chain of the garment enterprises in the world



Source: Khai and Nhung (2011)

first stage to the last stage of the products and marketing. Accordingly, the textile enterprises to build on the strategic material regions, strategic investment on technological advances, designing specialized products, build new thinking about consumption.

OBM – Own brand manufacturer (own brand development): This is a model system for export oriented manufacturer with products branded manufacturers. In the long term, our country's textile enterprises should gradually increase the level of vertical integration in the regional and national models. From the formation of the domestic supply chain that will gradually participates in the textile value chain and global regions.

6.3. The Other Resources

Exchange capital ratio:

Increase the proportion of long-term assets in the capital structure from 30% to more 60%;

Adjust the proportion of short-term assets that are reasonable and effective through a redefinition of cash balances, reasonable inventory;

Transfer the proportion of debt/equity (70/30) as the current trend according to trend increase in equity, debt reduction (50/50) in the future.

Attract domestic and foreign capital:

To attract domestic capital through the stock market and to equitize of the textile business.

Issuance of corporate bonds.

To take advantage of foreign debt.

Human resource development:

To improve the quality of human resources; Build training plan regularly in order to improve skilled workers, increase labor productivity and product quality. Focus on human resources team marketing activities, trade promotion strategies to make markets in specific market segments that demand close to the market to best meet customer needs;

Specifically, the transition to the model provides package (OEM, FOB), power requirements must be trained in textile materials, quality management, procurement skills and service provision. ODM and OBM activities also require higher skills of textile materials, creating pattern, design, customs service and sales skills.

Scientific research and technology transfer:

One lesson to be learned is that the investment projects of the textile enterprises is only interested in innovative devices that do not have the necessary attention enough to the transfer of

production technology, technology management skills arts, as well as trained workforce to manage and operate the plant. Accelerating the development of the textile enterprises, must to pay much attention to the technological innovation to get the new product with high quality and competitive price;

On the other hand, the textile enterprises have not been a central design of textile products and garments true. System testing laboratories are not capable of testing the functional indicators, ecological indicators of textile products. Therefore, it is necessary: Reorganization of the Institute of Textile Enterprises in the direction of autonomy and self-responsibility; Develop a system of standards suitable textile products and harmonization with international standards;

Support upgrading the assessment centers, checking quality textile products to support businesses in quality management and to overcome the technical barriers.

Support enterprises development:

Development of natural fibers: To initiative for textile raw materials to the regional planning policies planting materials to ensure quality performance. State support infrastructure investment in the service plan for the plant material; Links objects involved in the production plant materials. Encourage businesses, scientists, farmers and cooperation in production of raw materials to the delivery of harmony of interests between the parties.

Development of synthetic fibers: To attract foreign investment and mobilize domestic capital investment in the production of petrochemical products to serve actively on textile materials and enhance the localization rate, the value increase in textile products.

Development of materials for the garment enterprises: Encourage all economic sectors to invest in the production of raw materials for enterprises, attracting investment of 100% foreign investment, joint ventures, state-owned enterprises, local businesses, cooperatives, private.

Sustainable development:

Currently, retailers and labels to meet today's sustainability in a positive way and be more active and try to minimize the environmental impact of the textile manufacturing process and chemical inputs on textile materials during the production stage. Due to more stringent environmental laws, retailers and labels are gradually raising requirements for chemicals and restricted substances should be avoided in the final product. As a result, the textile companies are under pressure to meet the ecological parameters given by the labels in order to comply with environmental and avoid ecological problems arise in the production process manufacturing and consumer products.

Can strive gradually apply the following standards of ecological textiles:

- EU Regulation on chemicals and the safe use of chemicals (REACH)
- Act to improve consumer product safety (CPSIA)
- Global Organic Textile Standard (GOTS)
- European eco-label (EU Flower).

Enhance E-commerce activities:

Building systems is encrypted goods and clearly driven jointly build a trading platform electronic textiles. Gradually a system of distribution and network sales.

7. SIGNIFICANCE OF THE STUDY

7.1. In Theory

First, the study is a summary, analysis and evaluation of concepts, theories, and research results about restructuring the world and in Vietnam. Therefore, the results will contribute certain to codify and develop the theory of restructuring.

Second, research has contributed to development of the system scale factors affect results restructuring the Vietnamese textile and garment enterprises, in order to overcome the lack of scale facilities in each country to establish equivalent systems of measurement, especially in developing countries.

Third, an experimental study on the combination of academic research and applied research. That is to build and test the proposed research model scale factors affecting restructuring the Vietnamese textile and garment enterprises. From there, using the results to assess the situation and propose some solutions to complete the restructuring of Vietnamese textile and garment industries in the context of ASEAN integration.

7.2. In Reality

First, the results of research to help researchers, administrator's strategic vision more complete and comprehensive restructuring of Vietnamese textile and garment industries in the context of ASEAN integration.

Second, researchers have developed a roadmap for specific restructuring of the textile and garment business, comprising the steps of: Identify objectives, business strategy choices consistent with the context of ASEAN integration; Designing the production process of new business in the global value chain; Development of businesses towards sustainable development.

Third, in fact, almost no research on the concept and practice of restructuring issues, measurement and evaluation of factors affecting the reconstruction. Study applied and proposed solutions for restructuring the textile and garment business towards sustainable development.

Fourth, this study is an experimental methods applied research, from traditional methods such as generalization, systematization, analysis, synthesis and systems thinking., to the modern methods using techniques of qualitative and quantitative. Each method is suitable to apply on the contents of the study. So, hopefully this study will be a source reference methodology, research design, scale, model studies and data processing research for researchers, teachers, universities and students in the field of business management in general, as well as the field is new in Vietnam is restructuring in particular.

CONCLUSION

In the context of international economic integration and business innovation requirements, Vietnamese Textile and garment enterprises are facing with a problem that is restructuring. This study is carried out in order to enquire about the factors affecting to the restructuring of the textile and garment enterprises in the context of the pressure of international economic integration.

With a sample size of 255 and using quantitative methods to test the reliability of measuring scale, EFA, regression analysis. The test results showed that most of the impact factor of this model is suitable and reliable for the restructuring of the textile and garment enterprises in Vietnam.

According to the analysis results, researchers proposed some solutions recommended restructuring Vietnamese textile and garment sector effectively in the context of international economic integration.

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