# ANQ Congress 2008, Bangkok, Thailand: APPLYING INTERNATIONAL STANDARDS OF SOCIAL ACCOUNTABILITY FOR THE SUSTAINABLE DEVELOPMENT OF AN ORGANIZATION AND SOCIETY

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#### **ABSTRACT**

Leader as role model for organization in stress responsibility to the public, ethical behavior, the need to practice good citizenship, and focusing on protection of public health, safety and environment.

Can you have confident that your company's ethical sourcing policy effective?

Companies face problems of sourcing supplies form ethical organizations. In the past there hasn't been a standard against which suppliers could be measured. The certification bodies can now provide certification against a new international consensus standard SA 8000, which enable companies to give consumers confident in goods or services they purchase, in relations to the conditions under which the goods were manufactured.

Agreement between Vietnam and USA on trade relation have come into effective brought Vietnam Textile & Apparel branch a big market opportunity to speed up its to development but it also created some threats needed to overcome. So, in order to be integrated worldwide markets in the coming years, Vietnam Textile & Apparel branch need to apply Quality management system (ISO 9000), Environmental management system (ISO 14000) and Social Accountability management system (SA 8000).

SA 8000 can be applied to organizations of any size across all industries anywhere in the world. SA 8000 is a Social Security Management System standard in order to develop Human Resource Development and prove ethical valuation in products.

We may conclude about benefits of SA 8000 as follows:

- -To develop, maintain and enforce practices in order to manage H.R. issues that it can control or influence.
- -To demonstrate company's commitment to ethical purchasing policies
- -To solution issues of sustainable development.

The essence of management of SA 8000: "To apply a Social Security Management System for the sustainable development of an organization and society and for our valued consumers".

Keywords: SA 8000 (Social Accountability), Human Resource Development, Sustainable development.

### **BACKGROUND**

Leader as role model for organization in stress responsibility to the public, ethical behavior, the need to practice good citizenship, and focusing on protection of public health, safety and environment.

"The managers should have a vision instead of thinking about short term benefits."

(Ms Alice Tepper Marlin, Social Accountability International's (SAI) President & CEO)

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SA 8000 stands for "Social Accountability 8000". It is a standard which ensures the ethical sourcing for production of goods and services. These basic rights are set out in the international conventions on which SA 8000 is based and which have been designed to be universally applicable. These include conventions of the International Labour Organization (ILO) and related international human rights documents, including the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child, especially ISO 9000 and ISO 14000.

SA 8000 can be applied to organizations of any size across all industries anywhere in the world. SA 8000 is designed for independent assessment and certification body e.g. ISO 9000 or ISO 14000. SA 8000 is a Social Security Management System standard in order to develop Human Resource Development and prove ethical valuation in products.

We may conclude about benefits of SA 8000 as follows:

-To develop, maintain and enforce practices in order to manage H.R. issues that it can control or influence.

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#### I. INTRODUCTION

Entering 21st century, post industrial age of knowledge economy, demand of customers for supplier is higher and higher. Normally, if enterprises want to meet the needs of customer, they must be interested in:

- 1. Good quality of product like expectation of customer;
- Suitable price for buyer;
- Easily found goods and assured delivery.

Now the customer still demands an aspect:

Goods must be produced by **CLEAN LABOUR** 

Above definition can be considered as the quality of goods definition in 21st century. It shows demand of customer for evidences for firm development of an organization.

In current business background, standing at the threshold of global and regional business integration, there is an urgent need for Vietnamese enterprises that they incessantly strengthen competitive ability, increase productivity and keep the quality of products up, as well as give close image to the social environment Europe and Northern America are now potential markets in strong consumption. But one of the consumer's strict requirements in these countries is the close commitment on social accountability from manufacturers and service suppliers. It is reason why Vietnamese enterprises are interested in Management Systems of Social Accountability.

Name of standard Applying scale Value of standard Relevant example SA 8000 (Social Accountability) Worldwide Certificate Wedding (Registration) ETI (Ethical Trading Initiative) Not certificate Engagement Europe WRAP (Worldwide Responsible Limit of company Not certificate Love Apparel Production) FLA (Fair Labor Association) Not certificate

Love

Table 1 - Scopes, values and relations of International standards of social accountability in the world

Export processing enterprises should have interests in the large-scale application and expansion of SA 8000 standard system. Because import countries in Europe and Northern America will consider SA 8000 as a kind of non-tariff barrier to restrain imports from them in the near future. Furthermore, remaining companies still will cope with requirements of laborer for their right and working condition under the support of labors and non government organizations.

Limit of company

Nowadays, European and American customers are going to put pressure on Vietnamese Textile, Garment and Shoes Leather enterprises. So Vietnamese enterprises should have management systems in accordance with ISO 9000, ISO 140000, SA 8000. In our assessment, it is above pressure that is challenge to Vietnamese enterprises and in non-tariff barriers. As tariff barriers goes down, non-tariff barriers goes up. Until a certain time, non-tariff barriers & tariff barriers between countries will be annulled and at the time, the world will become a common market, it's necessary to apply ISO 9000, ISO 14000 & SA 8000. The enterprises can take advantage to lower price, increase competitive position and undertake to reach a firm development.

SA 8000 could be applied to any bodies or organization without scale dependence over the world. Like ISO 9000 & ISO 140000 upon the standards of quality and environment management systems, SA 8000 is audited and granted the certificate independently by a third body (see Table 2).

No.	NAME OF ORGANIZATION	COUNTRY
1	ABS Quality Evaluations, Inc.	USA
2	ALGI	USA
3	APCER	Portugal
4	BSI	UK
5	Bureau Veritas Certification	UK
6	CISE (Centro per l'Innovazione e lo Sviluppo Economico)	Italy
7	CSCC (Cal Safety Compliance Corporation)	USA
8	DNV (Det Norske Veritas)	India
9	HKQAA (Hong Kong Quality Assurance Agency)	Hong Kong
10	Intertek (Intertek Testing Services)	U.S.A
11	IQNET Ltd.	Switzerland
12	LATU Sistemas	Uruguay
13	LRQA (Lloyd's Register Quality Assurance Ltd.)	UK
14	RINA S.P.A (Registro Italiano Navale Group)	Italy
15	SGS-SSC	Italy
16	TUV NORD Group (TUV Asia Pacific)	Hong Kong
17	TUV Rheinland Group	Hong Kong
18	TUV SUD South Asia	India

Table 2 - The Authorized Organizations to audit and grant SA 8000 Certificates

Source: SAI, 2008

#### 1.2 SA 8000 – History and Development

In the 1990's, Europe & American companies conducted & proclaimed "Regulation of working environment of company", and forced firms and sub-contract to apply Ethical Codes of Conduct. It consists of working environment accountability, community definition, human right under international convention on labour.

SA 8000 indicates requirements for social accountability issued on October 1997 (SA 8000:1997) by Council on Economic Priorities Accreditation Agency – CEPAA.

SA 8000 is the first international standard of Social Accountability. Its mission is to improve working condition worldwide. It is based on 11 principles of conventions of the International Labour Organization – ILO. The United Nations Convention on The Right of the Child, and the Universal Declaration of Human Rights.

This standard can be applied for both developing countries and industrialized countries, not only Small & Medium Enterprises – SMEs but also Public Sector organizations.

The difference between SA 8000 and ISO 9000 & ISO 14000 is the supplement requirements to management system. SA 8000 focuses on minimum salary to guarantee safe labour environment for workers, not to use child labour or forced labour and workers not to work frequently over 48 hours per week.

SA 8000 was firstly experimented at New York, Pennsylvania, Mexico and Honduras. The standards of SA 8000 were more suitably amended for every nation. Until 2001, Social Accountability International – SAI, new name of CEPAA, edited and issued SA 8000:2001 version.

# 1.3 Standard System of Social Accountability SA 8000

Upon the standards and principles of International labour right, agreed in ILO & Conventions of the United Nations, SA 8000 includes 9 requirements:

- 1. Child Labour
- 2. Forced Labour
- 3. Health and Safety
- 4. Freedom of Association and Right to Collective Bargaining
- 5. Discrimination
- 6. Disciplinary Practices
- 7. Working Hours
- 8. Remuneration
- 9. Management Systems

#### 1.4 Granting Certificate of SA 8000

Granting certificate of SA 8000 means that a factory or an enterprise was controlled and acknowledged that it had observed control processes of CEPAA and strictly carried out these standards. Not like piecemeal audit of ISO 9000 for enterprise, SA 8000 or ISO 14000 must wholly audit for enterprise.

The objects of applying SA 8000 and granting certificate are not only enterprises, direct production sector with crowded labourers but also all organizations, branches including public administrative services.

# 2. SA 8000 AND VIETNAM

The fire of International Trade Centre Ho Chi Minh City (ITC) in 29 Oct., 2002 lost 60 lives and hundreds injured people. It was usually horrible accident that affected social safety of Vietnam in past year. In our opinion, if ITC had applied ISO 9000, ISO 14000 and SA 8000, fire could have been prevented; or human damages due to fire would have been minimized very much because SA 8000 is built on philosophy: **Prevention rather than Detection.** 

Since October 2008, Vietnam will tighten surveillance of companies' production after suspending operations of VEDAN Vietnam Company, a Hong Kong-invested monosodium glutamate maker, on environmental faults. Vietnamese government suspended VEDAN's operations and ordered the company to pay 127.3 billion dong (\$7.7 million) by Nov. 6 for improperly discharging effluent and chemicals into a river. The government will use the money paid by VEDAN to clean up the Thi Vai river in southern Vietnam.

Also, MIWON Vietnam Co., a unit of Seoul-based Daesang Holdings Company., was inspected by environmental-protection authorities. The monosodium- glutamate maker is based in the northern province of Phu Tho. Local authorities have proposed the government suspend the operations of MIWON's drainage system, which was found to be releasing untreated waste water into a river near Hanoi The inspection came after complaints from local residents about health problems and signs of air and water pollution in the area around the factory.

We are thinking of environmental management authorities in HCM City and southern Dong Nai Province, we have found that these agencies not only have poor management capacity, but also little awareness of environmental problems. If they apply SA 8000 in their public services, environmental faults could be reduced.

#### 2.1 SA 8000 and Vietnamese Labour Law

Labour Law has coverage because it was colleted from the basic principles and approved in 23 June 1994 by the National Assembly of the Socialist Republic of Vietnam, came into effect since 01 January 1995, then it was amended in 2002 and taken effect from 01 January 2003.

There has not ever been any main mention of regulations of SA 8000 at present. However, we can compare the contents of SA 8000 with correlative contents of Labour Code in order to draw the judgment on compatibility between law and practicability when applying the regulations for labour environment in Vietnam. In addition, International Labour Standard Systems of Health and Safety; Salary and Life Assurance; Working Hour and Relaxation; Accommodation and Food; Night Shift and Over Time are considered as the standard references of Vietnamese Labour Law and other countries.

The content of SA 8000 is very similar to Vietnamese Labour Code and other Codes. Some managers in Labour, Invalids and Social Affairs branch say that Vietnamese enterprises do not need to practice SA 8000 because of existing Labour Code. This view is unilateral, not complete and lacking in competition in the period of economy integration.

Vietnamese Labour Code is very interesting. If Vietnamese enterprises absolutely apply and obey the law, they will surely gain SA 8000. What a pity, there are nearly 80 per cent of out- state enterprises that did not sign Labour Contracts with employees, not pay social insurance, employ child, not pay attention to working condition of women....This actual situation shows that applying SA 8000 is very necessary for Vietnamese enterprises.

In order to find out the solution to shortcomings of Social Accountability, we can compare enforcement of the Vietnamese Labour Code based on the reference of International Labour Law with assessment criterion of standard system SA 8000 and since then we give recommendations to perfect Labour Code in current new situation.

#### 2.2 SA 8000 and Vietnamese Enterprises

Vietnamese enterprises are standing by severe trials in looking for and enforcing development policy to strengthen competition in the process of regional integration and global integration. One of the effective procedures, which manufacturers and retailers practiced, is pay attention to their prestige and valid of brand names to gain competitive position. Together with the development of society economy having more priorities than other area in the world, consumers in United State of America, Canada and Europe are interested in not only direct factors such as price, quality, model, packing etc... but also working condition of labourers made products. Consumers in Northern America and Europe are absorbed in advertising campaign of Associations of Struggle for the Rights of Worker and Child. So they are cautious about buying the products having origin from the nations have maltreated labourers that press and media notified. Therefore, SA 8000, which focuses on working condition of labourers, is considered as the solution to determination of conduct of a product and an organization as well as the tool of long-lasting development of human resources and society. SA 8000 is formed to increase competitive ability of enterprises through specific affects:

- Attract interests and confidence of customer and society;
- Improve and maintain good image of an organization;
- Increase spirit, ethic, productivity of labourers;
- Improve community relationship;
- Meet the needs and expectation of customer and society;
- Grow market share.

Table 3 - The SA 8000 Certified Facilities Statistics

SA8000 Certified Facilitie	<u> </u>		
Facilities Currently Certified:		1779	
<b>Countries Represented</b>			67
<b>Industries Represented</b>		933272 39	
Workers Employed			
Vietnam			
Company	Address	Scope of Certification	Industry
Astro Saigon Co Ltd	Lot 70-72 Linh Trung EPZ, Thu Duc Dist, HCMC, Vietnam	Manufacturing of bags, wallets and suitcases	Accessories
Coats Phong Phu - Hanoi Branch	378 Minh Khai, Hai Ba Trung, Hanoi, Vietnam	Manufacturing of sewing and embroidery threads for the apparel, footwear and related industry	Apparel
Coats Phong Phu Co Ltd	Tang Nhon Phu b Ward, Dist 9, Ho Chi Minh City, Vietnam	Manufacture of sewing and embroidery threads for the apparel, footwear and related industries	Apparel
Dap Cau Garment Import Export Company	G Area Thai Cau Ward, Bac Ninh Town, Bac Ninh Province, Vietnam	Manufacture of Garments	Apparel
Hung Huy Co. Ltd.	907/19 ROAD NO.2,BINH TRI DONG A WARD,BINH TAN, 'DISTRICT,HO CHI MINH CITY,VIETHAM	MANUFACTURING OF EVA SLIPPERS, INDOOR SLIPPERS, BIO SLIPPERS, SPORT SANDALS AND THONG SANDALS	Footwear
Lawnyard Vietnam Co. Ltd.	F4 / F5 / F6 - No. 4 Street - Zone Industry, Le Minh Xuan, Binh Chanh District, Ho Chi Minh City, Vietnam	Manufacturer of garments	Apparel
New Toyo (Vietnam) Aluminum Paper Packaging Co Ltd	Road No 3 'The Industrial Zone of Linh Trung II EPZ, Thu Duc, HCMC, Vietnam	Producing aluminum paper and paper core	Paper Products
Nhat Tan Garment Co. Ltd	1016 Village Road 2, Binh Tri Dong A Ward, Binh Tan District, Ho Chi Minh City	Manufacturing of Garment Products	Apparel
Phong Phu Guston Molinel	Tang Nhon Phu B Ward, District 9, Ho Chi Minh City, Vietnam	Manufacture of garments to end users in the textile industry and retail operations	Apparel

PHUONG DONG CO. LTD	Xuan Duc, My Hao, Hung Yen, Vietnam	Providing washing, grinding and drying services for garments	Cleaning Services
Phuong Dong Garment Joint Stock Company	1B Quang Trung, W.12, Dist. Go Vap, HCMC 22/14 Phan Van Hon, W. Tan Thoi Nhat, Dist 12, HCMC, Vietnam	Manufacture of T-shirts, polo shirts, jackets, ladies jackets, jeans, trousers, ladies wear, knit & woven products.	Apparel
Saigon Kymdan Rubber Stock Company	28 Binh Thoi, Dist. 11, Ho Chi Minh City / Site: Tay Bac IZ, Trang Lam, Cu Chi, Vietnam	Manufacturing rubber matters and pillow from natural latex	Housewares
Thuan Tien Garment	OFFICE: 16/4 STREET, PHAN RANG – THAP CHAM TOWN, NINH THUAN PROVINCE, VIETNAM	MANUFACTURING AND PROCESSING OF GARMENT PRODUCTS INCLUDING JACKET, TROUSERS, SHIRT AND SPORT WEAR	Apparel
Tien Thuan Garment Co. Ltd	16/4 Street, Phan Rang, Thap Cham Town, Ninh Thuan Province, Vietnam	Manufacturing and processing garment products such as jacket, trouser and sport wear	Apparel
Viet Hung Joint Stock Company  VIET THINH GARMENT JOINT STOCK COMPANY	No 206, National Road 22, Trung My Tay Ward, Dist 12 HCMC, Vietnam  NO 58, THOAI NGOC HAU, HOA THANH WARD, TAN PHU, 'DISTRICT, HO CHI	Manufacturing garment product such as shirt and trousers  MANUFACTURING AND PROCESSING GARMENT PRODUCTS INCLUDING: JACKETS, TROUSERS, SPORT-WEAR, SUITS AND	Apparel
(VTC)	MINH CITY, Vietnam	EMBROIDERY Manufacture and processing	Apparel
Viet Tien Garment Export and Import Corp. (VTEC)	7 Le Minh Xuan St., Ward 7, Tan Binh Dist., HCMC, Vietnam	textile products - shirts, jackets, trousers, suits, polo shirts, sport wears, and t- shirts	Apparel
Dong Tien Garment Company Ltd. (DOVITEC)	No 10, Street 5, Tan Tien Ward, Bien Hoa City, Dong Nai Province, Vietnam	Manufacturing jackets and trousers	Apparel
Nan Pao Resins Vietnam Enterprise Ltd.	No. 10, Thong Nhat Avenue, Song Tan II Industrial Zone, Di An, Tinh Binh Duong, Vietnam	Manufacture of adhesive and paints.	Chemicals
STRONGMAN CO., Ltd. / ALWAYS CO., Ltd.	Tan Thuan Export Processing Zone , Ho Chi Minh City, Vietnam	Manufacture of bicycles	Transportati on
Dai Cat Tuong Joint Stock Company	Lot C6, Tinh Phong Industrial Zone, VN - Quang Ngai Province, Vietnam	Manufacture and export of Garment	Apparel
Alhonga Vietnam Enterprise Co., Ltd.,	No. 27, DT 743,Di An District, Binh Duong Province, Vietnam	Manufacture and Supply of Bicycle Brake Systems	Metal Products
Dong Tai International Ltd	Phu Thai- Kim Thanh- Hai Duong Province	Manufacture and supply of fashion clothes for men and women	Apparel
Dong Thinh Garment Co., Ltd	5/8, Thong Nhat Ward, Bien Hoa City, Dong Nai Province, Vietnam	Manufacture and Sales of Garments	Apparel
Ectai Vietnam Enterprise	No. 73/1 Nguyen Thai Binh Road, Phu Hoa Ward, Thu Dau Mot Town, Binh Duong	Manufacture and Supply of T- shirt Bags, PE Bags, PP Bags, Multiwall Bags, Jumbo Bags, and PP Woyan February	Dooksaring
Fotai Vietnam Enterprise  Garment company No 2	Province, Vietnam	and PP Woven Fabrics	Packaging
(Natexco 2), Nam Dinh textile garment joint stock corporation	No 91 Nguyen Van Troi Road, Nam Dinh City, Vietnam	Manufacture and supply of Garments	Apparel
Ha Tien 2- Can Tho Cement JSC	Km 14, road 91, Phuoc Thoi, O Mon, Can Tho city	manufacturing and supplying Cement	Cement
Song Ha Garment Co, Ltd TSAIYARN	Km 41, Highway 5A, Lai Cach commune. Hai Duong Province, Vietnam	Manufacture and supply of garment products  Manufacture and Supply of	Apparel
INTERNATIONAL VIETNAM CO., LTD.	No. 27-B, DT 743 Rd., Song Than 2 I.Z., Di An Ward, Binh Duong Province, Vietnam	Metal Bicycle Parts (Basket) and Metal Furniture	Metal Products

Venture International (Vietnam) co. Ltd	Km 40, Highway 5A, Lai Cach Commune, Hai Duong Province, Vietnam	Manufacture and supply of garment products	Apparel
Viet Pacific Apparel Company Ltd	No 10, Mo Lao, Ha Dong Town, Ha Tay province	manufacture and supply of garments	Apparel
Vina Korea Co., Ltd.,	CN13, Khai Quang Industrial Zone, Vinh Yen Town, Vinh Phuc Province, Vietnam	Manufacture and export of garments	Apparel
Bor Yueh International Vietnam Co., Ltd.	No. 26, DT 743 Rd., Song Than 2 I.Z., Di An Ward, Binh Duong Province, Vietnam	Manufacture and supply of unicycles, bicycles, and motorcycle parts & accessories	Metal Products
PUNGKOOK CORPORATION	2A, Street 8, Song Than I Industrial Park, Di An, Binh Duong Province,	Manufacturing of Bags, Bag packs, Luggage Bags and Leather Goods	Textiles
VIET A CHAU PRIVATE LIMITED (VITACO., LTD)	80A-Huynh Van Banh Street, Ward 15, Phu Nhuan District, Ho Chi Minh City	MANUFACTURING AND TRADNG: -LEATHER, SYNTHETIC LEATHER, COATING FABRIC FOR: GARMENT, SHOES, HANDBAG AND FURNITURE -SHOES, SANDALS, SHOE SOLESPLASTIC PRODUCTS AND MOULDS FOR FOOTWEARS	Leather
Ngo Han Company Limited	Hien Due Hamlet, Phuoc Thai Village, Long Thanh District, Dong Nai Province, Vietnam	Manufacture and Supply of Copper Winding Wires	Metal Products
Thien Long Group -Thien Long Trading and Manufacturing Corporation	Lot 6-8-10-12, Road 3, Tan Tao Industrial Zone, Binh Tan District, Ho Chi Minh City	DESIGN, MANUFACTURE AND SUPPLY OF STATIONERY, ART SUPPLIES, SCHOOL SUPPLIES, OFFICE SUPPLIES AND WRITING INSTRUMENTS.	Paper Products
TNT – Vietrans Express Worldwide (Vietnam) Ltd.	Hanoi City, Vietnam, Hanoi City Centre, Hanoi Airport, Saigon, Saigon warehouse, Dining Airport, Dining, Hai Phong, Viet Tri, Hay Duong Call Centre, Bin Duong, Nam Dinah, Vung Tau Call, Bien Hoa Call, Can Tho Call, Nhon Trach, Qui Nhon, Nha Trang, Cu Chi	Courier Express	Logistics
BINH MINH GARMENT JOINT STOCK COMPANY	440 No Trang Long, Ward 13, Binh Thanh Dist., HCM City	MANUFACTURE OF GARMENT PRODUCTS	Apparel

Source: SAI (June 2008)

#### 2.2.1 Some of The SA 8000 Certified Vietnamese Garment Textile Companies

- + Viet Thang Textile Company (VICOTEX): It has successfully applied ISO 9000, ISO 14000 and SA 8000 with the number of 5,000 workers, through following activities: building a general office with 20 sick-beds, a resort for staff in Long Hai Beach (Ba Ria Vung Tau Province), a 300 child kindergarten; strengthening fire fighting equipment and labour safety tool; increasing labour productivity to minimize shift and overtime. The company was audited and granted the certificate of SA 8000: 2001 in 30 Oct., 2002 by SGS.
- + **Phuong Dong Garment Company (FUGAMEX)**: The company, which has got the certificates of ISO 9000 and SA 8000, explained its strategy as follows: to let customers see well-treated workers, good working condition, well ordered cargo, stable quality of goods; and since then, the company has left deep impressions on conduct in business and gained customer's confidence to the company.
- + Thang Loi Garment & Textile Company (VIGATEXCO): It attained two certificates of ISO 9000 and SA 8000. VIGATEXCO show that management system SA 8000 has contributed to successful business of the company due to major contracts from Northern America and Europe.
- + **Viet Tien Garment Corporation (VTEC)**: With the policy of constant development to meet the needs of customers and labourers, VTEC has built and applied management systems ISO 9002:1994 well in June 2000 and continuously improved to revise ISO 9001:2000 version. The company was audited and granted the certificate of SA 8000:2001 in 17 July, 2002 by BVQI.
- + Coats Phong Phu Joint Venture Company (CPP): The company are taking the lead in the number of granted ISO certificates such as ISO 9000, ISO 14000, SA 8000 and OHSAS 18001. CPP has undertaken to carry out social accountability and working condition as follows "To obey national law of labour and other laws and regulations that CPP made commitment. To respect international conventions and concerned documents stipulated in SA 8000 ".

#### 3. THE ESSENCE OF MANAGEMENT OF SA 8000

#### 3.1 The Rule of Three - Party expresses Social Ethics

SA 8000 aims at social advantages and interested parties. SA 8000 reconciles three – party benefits to develop firmly. In order to develop firmly, priority is given to:

- 1. Third party
- 2. Second party
- 3. First party

If three – party rule is brought in SA 8000, it will enhance social and ethical position of businessmen and the public; encourage the development of the relationship Win/Win/Win Result that **certified**, **accredited and recognized mutually.** 

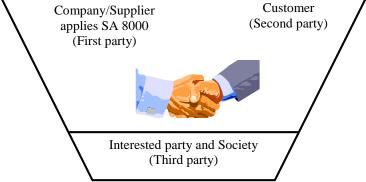


Figure 1 - The Rule of Three - Party expresses Social Ethics

## 3.2 SA 8000 for the sustainable development of an organization

A requirement of lasting development is specific reflection of requirements of the general point of view and it is also true to SA 8000 because there are requirements relating to closely to humankind. In the whole, the general point of view as well as SA 8000 is a primary requirement of justice, avoiding discriminatory treatment. The focus of SA 8000 is on quality of life that all people, any nationality, any class, any racial ism, any sexism, any community, can enjoy the same working regulations in an organization, a company. (SA 8000, requirement 5)

To requirements of SA 8000, we can realize that the management essence of this standard is to develop humankind in an organization, it is the development in human resources

An enterprise said that: "To apply SA 8000 to not only market but also look after company's labourers better and better, have a stronger attachment for company, in that way, the company can achieve more unshakeable business effect".

Properly doing requirements of SA 8000 is to put into effect faithfully requirements of "CLEAN LABOUR", satisfy needs, thoughts and expectation of labourers legitimately such as: needs of living and working, creating to develop their organization and community, contributing their effort to society. In other words, requirement satisfaction of three parties is to viability, development and integration.

#### 3.3 SA 8000 for the sustainable development of society

Lexicon "lasting development of society "is defined by World Economic Committee Development – WECD: "Although development can satisfy current needs, it derogates from ability of prospective generation within needs satisfaction". This definition is often quoted and left deep effect. As general declaration, it reminds us that the lastingness is an obligation of prospective generation.

Globalization brings a lot of great opportunities to progression of humankind as long as it is managed closely by regulations and clear limits. All above actions have to be standardized and operated so that it can satisfy needs of humankind's development. With SA 8000's requirements, we can realize that the management essence of this standard is a purpose of developing humankind, it is suitable for the period of globalization as follows:

- Morality: violation of human rights and disregard of humanity values become less and less.
- Development: poverty of nations and mankind becomes fewer and fewer.
- Equality: unfairness between nations and people is less and less.
- Participation: exclusion of nations and people is less and less.
- Human security: damage to nations and people is less and less.
- Lastingness: exhaustion and decrease of environment are fewer and fewer.

# 4. CONCLUSION

The essence of management of SA 8000: "To apply a Social Security Management System for the sustainable development of an organization and society and for our valued consumers".

We can realize that SA 8000 not only is a tool helping to develop sustainable organization but also take part in community with a region, a country, a society. SA 8000 is Social Security Management System - SSMS; it brings a safe guarantee to labourers, community and society. It completely suits for assertion of the essential management of SA 8000 in the lasting development of society: **developing human resources, satisfying challenges of globalization process and "an economy based on a new moral business".** 

In Vietnam, beside applying necessarily SA 8000 to organization, company which produces goods in order to satisfy importing conditions required by foreign customers, we have to encourage applying SA 8000 in managing public services to intensify effect on administration reforms serving people.

SA 8000 - a standard of the social security management system, take part in developing human resources and prove value included in products. The Laws of the Socialist Republic of Vietnam such as: Constitution, Labor Code, Education Laws, Business Laws...are quite similar to SA 8000's requirements. To perform effectively Vietnamese rules and regulations as well as SA 8000's requirements, we surely observe that success in applying social safety standard has to:

- Choose ISO 9000 as management premise.
- Choose ISO 14000 as the most necessary condition of natural environment protection.

Applying management system according to ISO 9000, ISO 14000 and SA 8000 is considered as Integrated Management System- IMS in an organization. We can use the synergy of management systems in order to bring benefits to company and satisfy needs from customers and stakeholders.

To end, we would like to quote an idea of Dr. Geoff Spiegel, Sainsbury 's Supermarkets Ltd. as "SA 8000 is definitely a move in the right direction and complements efforts such as the Ethical Trading Initiative in Europe, to put these issued onto the global agenda".

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