Indirect impact of employees’ social capital on their income at Dong Thap Muoi, Long An Province

Pham Tan Hoa¹*

¹People’s Committee of Long An Province, Long An Province, Vietnam
*Corresponding author: hpla0201@gmail.com

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ABSTRACT

The study aims to examine the direct impact of social capital on the employment and income of workers. The research model is built based on Granovetter’s theory of the strength of weak-ties relationships, Putnam’s social capital theory, and the results of some related previous studies. The study used secondary data collected from 1,197 workers in the Dong Thap Muoi region of Long An province. Structural Equation Modeling (SEM) is used to analyze the data. The results show that social capital has a positive impact on the employment and income of workers, in which the trust factor has the most substantial influence. From the research results, some recommendations are proposed to increase work efficiency and increase employee income.

1. Introduction

Individuals’ social capital is a source of capital or advantage that allows them to acquire specific benefits through mutual support, trust, and network of social relationships (Lim & Putnam, 2010; Litwin & Shiovitz-Ezra, 2011). Social capital is critical to a country’s economic development (Woolcock & Narayan, 2000). Many studies have shown that social capital helps many people in overcoming financial difficulties through individual support and cooperation (Fukuyama, 2002), poverty reduction (Grootaert, 1999), human capital formation (Coleman, 1988), and contributing to the development of a prosperous civil society (Putnam, 2000).

Employment and income are two major, influential factors in a person’s life (Clemens & Wither, 2019; Oyebola, Osabuohien, & Obasaju, 2019). At the same time, employment and income of citizens are also matters of concern to governments in many countries (Schyns, 2002). A country prospers when the unemployment rate is at the natural unemployment rate; people’s income and quality of life continuously improve (Manuelli & Seshadri, 2014). Therefore, the study of employment and individual income is essential for each member of society and the country’s socio-economic development (Rindermann, Kodila-Tedika, & Christainsen, 2015).

Over the past three decades, scholars have devoted considerable attention to exploring the impact of social capital on income and satisfaction (Kawachi & Berkman 2001; Lim & Putnam 2010). Studies have shown a positive relationship between satisfaction and income (Deaton, 2008; Stevenson & Wolfers, 2013). However, some other studies have found a negative impact of social capital on the job and life satisfaction (Ingersoll-Dayton, Morgan, & Antonucci, 1997; Yip et al., 2007). The cause of these debates stems from the multifaceted aspects of social capital (Coleman, 1988; Putnam, 1993).
In recent years, several domestic and foreign researchers have applied social capital theory to solve economic issues such as job search (Mouw, 2003; P. V. Nguyen et al., 2018, P. K. Nguyen & Pham, 2020), work efficiency improvement (Ali-Hassan, Nevo, & Wade, 2015), job satisfaction (Lange, 2015; Legh-Jones & Moore, 2012). Moreover, in Vietnam, research direction in the form of an interdisciplinary theoretical approach has begun to form and develop in recent years. To a certain extent, social capital can explain employment relationships (Lange, 2015; Legh-Jones & Moore, 2012; Shin & Lee, 2016) or income (Robison, Siles, & Jin, 2011; Yuan, 2016).

Through the theoretical review, the author has not found any empirical studies using primary data to examine the impact of social capital on income through the employment of workers. This study focuses on the link between both aspects of social capital and worker’s job satisfaction and income to solve the arguments above. The study used primary data and applied econometric models to determine the impact of social capital on income through employees’ job satisfaction.

Following this introduction, section 2: literature review, model and hypotheses development; section 3: methodology; section 4: research results and the last section: discussions and implications.

2. Literature review and hypothesis development

According to the General Statistics Office of Viet Nam (2014), income consists of employment income (salaries, earnings, bonuses) and others (property ownership, property transfer, donation, support, etc.). Employment is defined as any activity that generates income and is not forbidden by law (The National Assembly Vietnam, 2013). Employment income is a stable income, and other income is unstable and irregular income. Therefore, in this study, income only counts the income earned from work, not other incomes. The employment status of each individual is considered in terms of job satisfaction, job engagement, or satisfaction with income received from work (Lange, 2015; Shin & Lee, 2016; Yuan, 2016). Herzberg’s motivation theory states an employee’s job satisfaction is expressed via job achievement, recognition of individual contribution, commitment to work, and work conditions (Herzberg, Mausner, & Snyderman, 1959). Among these, factors related to salary (or income) and job commitment are often used to measure employees’ job satisfaction (Lange, 2015; Shin & Lee, 2016; Syptak, Marsland, & Ulmer, 1999; Yuan 2016). Therefore, in this study, job satisfaction and income are selected to assess the employment status of employees.

Leading scholars define social capital at the individual level: Adler and Kwon (2002), Bourdieu (1986), Burt (1992), Coleman (1988), Lin (2001). Social capital has many facets and multi-levels, thus creating a significant difference between different concepts (Coleman, 1988; Putnam, 1993). Both Bourdieu (1986) and Coleman (1988) agree that social capital is expressed in social relationships between individuals and group members in a collective to achieve common interests. Bourdieu (1986) said that social capital could come from neighbors, close relatives, clan families, agencies/offices, etc., and be maintained for long-term use. The concept of social capital which is clearly stated and commonly used by researchers, is the concept of Adler and Kwon (2002). According to Adler and Kwon (2002), social culture is (i) trust between individuals; (ii) compliance with standards; (iii) social network. Social capital is the social resource that is embodied in the relations between people. It resides in and stems from contact, communication, sharing, co-operation and trust that are inherent in ongoing relationships (Spellerberg, 2001; Yuan, 2016). Thus, social capital is the trust, mutual help, and interaction between individuals in the network of relationships of individuals with the community.

Although there is some disagreement among social capital researchers, most researchers view social capital from structural and cognitive aspects (Granovetter, 1973; Putnam, 1993). The
structural element is reflected in social relationships (Granovetter, 1995), relationship structure (Lin, 2001), norms (Lin, Cook, & Burt, 2001). The cognitive aspect is expressed through trust (Putnam, 2000), reciprocity (Putnam, 1995; Woolcock & Narayan, 2000), mutual support (Lin, 2001). This study will examine social capital in terms of the two aspects mentioned above. The structural aspect of social capital is reflected in norms compliance, material or spiritual support and relationships (Lin, 2001; Lin et al., 2001). The cognitive element is expressed through trust, reciprocity between people in relationships (Lin, 2001; Putnam, 1995; Woolcock & Narayan, 2000).

Granovetter (1973) proposed the advantage hypothesis of the weak-ties relationship. Family and kinship partnerships are separated into two categories: (ii) strong, introspective interactions; and (ii) weak, extroverted relationships such as friends, neighbors, and friends (Putnam, 2000). Individuals’ job search success is influenced by their weak-ties relationships (Granovette, 1995). Workers in rural areas frequently rely on the weak-ties relationship to get a job, but their income is generally low (Matthews, Pendakur, & Young, 2009).

2.1. Social capital and satisfaction (job & income)

According to Requena (2003), social capital is a better indicator of job satisfaction than characteristics of employees, company or organizational characteristics, and work environment. reliability is key to building and developing of relationships (Granovetter, 1995; Putnam, 2000; Woolcock, 1998). Several studies have shown that social capital expressed through interpersonal trust in relationships is correlated with employee job satisfaction (Agnieszka & Wittek, 2008; Bateman & Organ, 1983; Fargher & Jiang, 2008; Helliwell & Putnam, 2004). Trust in relationships (fragile connections) is the primary feature that holds people together and is the core of social capital, according to Granovetter (1995) and Putnam (2000). According to P.V. Nguyen et al. (2018), P. K. Nguyen and Pham (2020), and Vigoda-Gadot and Talmud (2010) research, trust influences the job search success. Work is made more accessible when coworkers trust one another (Narayan & Cassidy, 2001). Workplace trust contributes to increased productivity and enjoyment in the workplace, as well as increased income (Helliwell & Huang, 2010). As an outcome, our research presents the following two theories (H1a and H1b):

\[ H1a: \text{Trust (TRU) has a positive influence on job satisfaction (SASJ)} \]

\[ H1b: \text{Trust (TRU) has a positive influence on income satisfaction (SASI)} \]

The level of Sharing and Confiding (COS) is assessed using four observed factors and a five-point Likert scale to examine how individuals share and confide with their family, relatives, and friends. This is a new set of plates based on Granovetter’s (1973, 1995) theory of weak connection benefits and Veronique’s (2014) measuring approach. According to Granovetter (1973, 1995), Cohesion among members in a community symbolizes social capital and gives them an edge. Shin and Lee (2016) established that individuals’ level of sharing and confiding with colleagues promotes job satisfaction, based on Granovetter’s (1973, 1995) theory. Vigoda-Gadot and Talmud (2010) show that job satisfaction is influenced by social support. According to Zhang, Anderson, and Zhan (2011), emotional support has an indirect impact on job satisfaction and personal life. Intimacy (confidence), attachment, and emotional intensity, according to Granovetter (1995), typically encourage individuals in employment. Therefore, our study proposes the following two hypotheses (H2a and H2b) as follows:

\[ H2a: \text{Confidence (COS) has a positive influence on job satisfaction (SASJ)} \]

\[ H2b: \text{Confidence (COS) has a positive influence on income satisfaction (SASI)} \]

When you’re having problems at work or in life, talk to your relatives, neighbors, and friends. Both Bourdieu (1986) and Putnam (2000) agree that social capital refers to the bond that
exists between people and community networks by actions based on “reciprocity.” This entails assisting others. Shin and Lee (2016), as well as P. K. Nguyen and Pham (2020), found that “reciprocity” had a favorable impact on job searchers’ job search processes. Individuals that help each other thrive in their jobs (Narayan & Cassidy, 2001). The concept of “reciprocity” is best stated in Putnam’s theory (2000). Putnam (2000) used empirical investigations to examine the ideas of Granovetter (1973) and Bourdieu (1986) and concluded that reciprocity is a fundamental component of social capital. Employees benefit significantly from this in both their job and personal lives. As a result, our research presents two theories (H3a and H3b) as follows:

\[ H2a: \text{Receive help (REH) has a positive influence on job satisfaction (SASJ)} \]

\[ H2b: \text{Receive help (REH) has a positive influence on income satisfaction (SASI)} \]

According to Narayan and Cassidy (2001), help makes people flourish at work. Individuals who receive financial assistance from their relationships are able to overcome challenges at work or in life (Lange, 2015; Shin & Lee, 2016; Yuan, 2016; Zhang et al., 2011). The group “helping others by lending money when they are in need” - BOR is assessed using four observable variables and a five-level Likert scale to identify the ability (level) to assist family members. When family, relatives, neighbors, and friends face challenges at work or in life, they can turn to family, relatives, neighbors, and friends for help. There is also the highest amount of attachment when it comes to demonstrating trust. The ability to lend money is defined by trust (according to experts). Trust (trust) has been discussed in previous studies, but merely as a broad term with no precise measurement. This is a new set of components incorporated into the model based on Bourdieu’s (1986) theory, according to Putnam (2000). On the same hand, experts say that in today’s society, “borrowing money” is a vulnerable component; it can only be done when you are close and trusting. People are willing to lend money to very tight, highly trusted acquaintances. Therefore, this is a practical scale to assess individuals’ social capital with their network of relationships. Therefore, our study proposes the following two hypotheses (H4a and H4b) as follows:

\[ H4a: \text{Help others by lending money (BOR) has a positive influence on job satisfaction (SASJ)} \]

\[ H4b: \text{Help others by lending money (BOR) has a positive influence on income satisfaction (SASI)} \]

2.2. Job and income

The employment status of employees is assessed through many factors. Job satisfaction and job income are two factors used by many researchers (Lange, 2015; Shin & Lee, 2016; Syptak et al., 1999; Yuan, 2016). Employees’ current employment is evaluated in two ways: satisfaction with the job (SASJ) and satisfaction with the amount of money they earn (SASI). A 5-level Likert scale is used to assess each group based on two observed variables. Job satisfaction, as well as contentment with the level of income linked with present employment, were measured by Seibert, Kraimer, and Liden (2001). According to Seibert et al. (2001), network advantages positively impact job satisfaction but not on salaries. Remuneration, pay, job appropriateness, and the likelihood of success in work are all factors that drive labor mobility, according to Smith’s hypothesis (1976). Simultaneously, the ideas of Lewis (1954), Harris and Todaro (1970) describe labor mobility as a result of income considerations and job prospects. The study uses the Seibert et al. (2001) scale to develop the observed variables, the employee employment scale. Expert opinion on a research scale. As a result, our research provides the following two hypotheses (H5 and H6):

\[ H5: \text{Job satisfaction (SASI) has a positive influence on income (INC)} \]

\[ H6: \text{Income satisfaction (SASI) has a positive influence on income (INC)} \]
2.3. Characteristics of individuals, households, and income

Production Land Area (LAN) is the variable that represents the total productive land area of the household (unit: m²). Research results of Pham (2015) and Phan (2019) show that production land has a positive impact on income. Research by Brisson and Usher (2005) proves that household ownership of assets (house, land) positively impacts income. Therefore, this study expects LAN to have a positive effect on income.

H7: LAN positively impact income (INC)

Experts believe that a new variable, household transaction cost, should be incorporated into the model. The entire amount each family spends on funerals, filial piety, joy, parties, etc., is used to calculate the household’s social expenses (unit: million VND/month). The number and quality of the bridge social capital network are likewise hidden by this variable. According to Granovetter (1973), Lin (2001), and Putnam (2000), having more relationships (directly or indirectly through family members and friends) has a beneficial impact on success at work and in life. As a result, this variable is projected to have a positive relationship with income.

H8: COSF positively impact income (INC)

Years of schooling are used to determine educational attainment (EDU). Education level has a favorable link with income, according to Israel, Beaulieu, and Hartless (2001), P. K. Nguyen and Pham (2015), Wanberg, Kanfer, Hamann, and Zhang (2015). Israel et al. (2001) also found that parental education impacted their children’s educational achievement, employment, and occupation.

H9: EDU positively impact income (INC)

Pellizzari (2010) said that finding a job quickly and with a high salary depends on gender and education level. Gender is a dummy variable that takes one if male and 0 if female. N. Q. Nguyen and Bui (2011), P. K. Nguyen and Pham (2015) found no evidence that gender has an impact on earnings or that women find higher-paying occupations than men (Alesina & Giuliano, 2010). With two dependent variables, this variable is expected to have a positive

MQH: men have higher salaries than women (Wanberg et al., 2015).

H10: GENDER positively impact on income (INC)

Figure 1. Hypothesized model
3. Methodology

Research using quantitative methods. Primary data was collected by probability sampling method (systematic random sampling) in 03 stages: sampling by location (with three economic sectors), sampling by a population of the area, and sampling by household. The interviewee is the main laborer in the household. The number of study samples eligible for analysis was 1,197 observations out of a total of 1,200 observations. The scope of the survey to collect data for service includes Kien Tuong town and districts: Tan Hung, Vinh Hung, Moc Hoa, Tan Thanh, Thanh Hoa, Thu Thua (07 communes). For the research’s purpose, data collecting activities took place simultaneously in the 07 study sites mentioned above, from May to October 2020.

The study used a 5-point Likert scale, which is as follows: “1” Completely unreliable and “5” Completely dependable for the TRUST group; “1” Never for the COS, REH, and BOR groups. “2” Infrequently, “3” Normally. “4” a lot of the time, and “5” all of the time. “1” means “strongly disagree” and “5” means “strongly agree” for the job satisfaction (SASJ) and income (SASI) groups.

Descriptive statistics, CRA, EFA, CFA, SEM (CB - SEM), and associated tests are done in the following order: descriptive statistics, CRA, EFA, CFA, SEM, and related tests. The test indexes for the SEM model were chosen following Hair, Black, Babin, and Anderson (2010), namely CMIN/df 5, 0.05 RMSEA 1, GFI 0.9, CFI 0.9.

4. Results

The interviewees are the main employees of the family, so they are of working age and have stable jobs. Interviewees in the research sample focus on the age group from 30 to under 60 years old, the most popular of which is the middle-aged group. There is a difference in the proportion of men and women participating in the survey, with men accounting for 70% of the sample and only 30% of the research sample being female. Most interviewees only attended elementary and secondary school. The interviewees have working experience of at least one year and up to 56 years at most. Typical milestones of experience in the research sample are ten years (accounting for 10% of the research sample), twenty years (accounting for 9.4% of the research sample), and thirty years (accounting for 5.6% of the research sample). This result shows that workers in the surveyed area have a particular attachment to employment. Household of the land area ranges from above 5,000m² to 30,000m² (60% of the sample). The highest and most common dependency ratio is 50%, meaning that the household with two members has one person without a job. Most households’ incomes range from 05 million VND/month to less than 30 million VND/month. The two major levels are from 05 to 10 million VND and from over 10 million VND to less than 15 million VND/month.

4.1. Measures

Table 1

Constructs and their measurement items

<table>
<thead>
<tr>
<th>Construct</th>
<th>Code</th>
<th>Item</th>
<th>Standardized regression weights</th>
<th>SMC</th>
<th>Alpha</th>
<th>CR</th>
<th>KMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust (TRU)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRU1</td>
<td>TRU1</td>
<td>Level of trust in family members</td>
<td>0.681***</td>
<td>0.644</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRU2</td>
<td>TRU2</td>
<td>Level of trust in relatives</td>
<td>0.469***</td>
<td>0.622</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRU3</td>
<td>TRU3</td>
<td>Level of trust in neighbors</td>
<td>0.839***</td>
<td>0.704</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRU4</td>
<td>TRU4</td>
<td>Level of trust in friends</td>
<td>0.872***</td>
<td>0.760</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construct</td>
<td>Code</td>
<td>Item</td>
<td>Standardized regression weights</td>
<td>SMC</td>
<td>Alpha</td>
<td>CR</td>
<td>KMO</td>
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<td>------------------------</td>
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</tr>
<tr>
<td>Confiding, sharing (COS)</td>
<td>COS1</td>
<td>Level of comfortable confiding and sharing information with family members</td>
<td>0.740***</td>
<td>0.548</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>COS2</td>
<td>Level of comfortable confiding and sharing information with relatives</td>
<td>0.851***</td>
<td>0.723</td>
<td>0.861</td>
<td>0.858</td>
<td>0.601</td>
</tr>
<tr>
<td></td>
<td>COS3</td>
<td>Level of comfortable confiding and sharing information with neighbors</td>
<td>0.808***</td>
<td>0.653</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>COS4</td>
<td>Level of comfortable confiding and sharing information with friends</td>
<td>0.790***</td>
<td>0.624</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receive helping (REH)</td>
<td>REH1</td>
<td>Level of family support in business</td>
<td>0.708***</td>
<td>0.501</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>REH2</td>
<td>Level of relative support in business</td>
<td>0.585***</td>
<td>0.542</td>
<td>0.863</td>
<td>0.813</td>
<td>0.524</td>
</tr>
<tr>
<td></td>
<td>REH3</td>
<td>Level of neighbors’ support in business</td>
<td>0.796***</td>
<td>0.634</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>REH4</td>
<td>Level of friends’ support in business</td>
<td>0.874***</td>
<td>0.763</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide helping (BOR)</td>
<td>BOR1</td>
<td>Level of providing help to family members (≤ 3,070,000 VND)</td>
<td>0.766***</td>
<td>0.587</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BOR2</td>
<td>Level of providing help to relatives (≤ 3,070,000 VND)</td>
<td>0.831***</td>
<td>0.690</td>
<td>0.898</td>
<td>0.900</td>
<td>0.693</td>
</tr>
<tr>
<td></td>
<td>BOR3</td>
<td>Level of providing help to neighbors (≤ 3,070,000 VND)</td>
<td>0.923***</td>
<td>0.853</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BOR4</td>
<td>Level of providing help to friends (≤ 3,070,000 VND)</td>
<td>0.857***</td>
<td>0.734</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction with Job (SASJ)</td>
<td>SASJ1</td>
<td>You have a high level of job satisfaction</td>
<td>0.829***</td>
<td>0.688</td>
<td>0.854</td>
<td>0.855</td>
<td>0.747</td>
</tr>
<tr>
<td></td>
<td>SASJ2</td>
<td>You have a great smoothly working progress</td>
<td>0.894***</td>
<td>0.800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction with Income (SASI)</td>
<td>SASI1</td>
<td>You feel satisfied with current income</td>
<td>0.779***</td>
<td>0.607</td>
<td>0.826</td>
<td>0.836</td>
<td>0.721</td>
</tr>
<tr>
<td></td>
<td>SASI2</td>
<td>Equal pay for equal work</td>
<td>0.906***</td>
<td>0.821</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Composite reliability (CR); Squared Multiple Correlations (SMC)

Source: Author
4.2. Measurement model

A total of 1,197 surveys were completed (03 questionnaires were removed due to lack of information). All standardized regression weights are statistically significant at the 0.001 level, as shown in Table 1. (Hair et al., 2010). The Critical Ratios (CRs) range from 0.813 (REH) to 0.900 (BOR), all of which are excellent (Hair et al., 2010). All groups of observed variables have alpha coefficients more than 0.8, and all groups have KMO coefficients greater than 0.5. As a result, the scale maintains the consistency and convergence of the observed variable groupings.

The model’s empirical data fit was outstanding, according to model fit statistics. The chi-square 2 statistic was 1.096.021 (df = 229, p = 0.000), the CMIN/df ratio was 4.786, the GFI was 0.928, the CFI was 0.943, and the RMSEA was 0.056. As a result, the model’s constructs can be said to be not just valid and dependable but also distinct from one another (Hair et al., 2010).

4.3. Structural model

This step is to proceed with the structural model using maximum likelihood estimation. This verifies a series of hypotheses developed from the hypothesized model. Model fit indices showed that $\chi^2$ was 1.073.312, p = 0.000 with 222 degrees of freedom. The $\chi^2/df$ (4.835) lay between 03 and 05, implying parsimony of the model. The RMSEA was 0.057, GFI was 0.933, while CFI as 0.944. The findings suggested the model yields both incremental and absolute goodness of fit, as Hair et al. (2010) stated All associations were statistically significant. Figure 2 and Table 2 summarized the model results.

Figure 2. Results SEM
Table 2

Hypotheses validated results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Proposed effects</th>
<th>Unstandardized Regression Weights</th>
<th>Standardized Regression Weights</th>
<th>P value</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a: TRU → SASJ</td>
<td>Positive</td>
<td>0.092***</td>
<td>0.255</td>
<td>0.005</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H1b: TRU → SASI</td>
<td>Positive</td>
<td>0.103**</td>
<td>0.362</td>
<td>0.013</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H2a: COS → SASJ</td>
<td>Positive</td>
<td>-0.062*</td>
<td>-0.155</td>
<td>0.084</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H2b: COS → SASI</td>
<td>Positive</td>
<td>0.018</td>
<td>0.066</td>
<td>0.514</td>
<td>Non-confirmed</td>
</tr>
<tr>
<td>H3a: REH → SASJ</td>
<td>Positive</td>
<td>0.008</td>
<td>0.020</td>
<td>0.843</td>
<td>Non-confirmed</td>
</tr>
<tr>
<td>H3b: REH → SASI</td>
<td>Positive</td>
<td>0.095***</td>
<td>0.353</td>
<td>0.002</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H4a: BOR → SASJ</td>
<td>Positive</td>
<td>0.261***</td>
<td>0.840</td>
<td>0.000</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H4b: BOR → SASI</td>
<td>Positive</td>
<td>0.104***</td>
<td>0.480</td>
<td>0.000</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H5: SASJ → INC</td>
<td>Positive</td>
<td>0.821***</td>
<td>0.326</td>
<td>0.007</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H6: SASI → INC</td>
<td>Positive</td>
<td>0.659</td>
<td>0.182</td>
<td>0.094</td>
<td>Non-confirmed</td>
</tr>
<tr>
<td>H7: LAN → INC</td>
<td>Positive</td>
<td>0.001</td>
<td>0.008</td>
<td>0.920</td>
<td>Non-confirmed</td>
</tr>
<tr>
<td>H8: COSF → INC</td>
<td>Positive</td>
<td>0.191***</td>
<td>0.178</td>
<td>0.000</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H9: EDU → INC</td>
<td>Positive</td>
<td>0.004</td>
<td>0.019</td>
<td>0.695</td>
<td>Non-confirmed</td>
</tr>
<tr>
<td>H10: GENDER → INC</td>
<td>Positive</td>
<td>-0.338***</td>
<td>-0.225</td>
<td>0.000</td>
<td>Confirmed</td>
</tr>
</tbody>
</table>

Notes: *, ** and *** indicate significance at the p < 0.1, p < 0.05 and 0.01 levels
Source: Author

COS has no effect on SASI, while REH does not affect SASJ, according to the results of SEM analysis (Table 2). SASI, LAN, and EDU have had little effect on INC. SASJ, SASI, and INC are all affected by the remaining groupings. SASJ has a significant and favorable impact on INC. TRU and BOR are two organizations that consistently have a beneficial impact on SASJ and SASI. In addition, COSF and GENDER also have a significant influence on INC.

5. Discussions and implications

SASJ and SASI are influenced positively by TRU. TRU had a larger effect on SASI (B = 0.103 at a 5% significance level) than SASJ (B = 0.092 at a 1% significance level). The findings show that Granovetter’s (1995) and Putnam’s (2000) theories are appropriate. This finding is also in line with the findings of Vigoda-Gadot and Talmud (2010), P. V. Nguyen et al. (2018), and P. K. Nguyen and Pham (2020). As a result, the trust factor has a major impact on employee work satisfaction and earnings. Employees find it difficult to operate in an environment where there is a lack of trust, and productivity suffers.

SASJ was impaired by COS (B = 0.062, 10% significance level), however, SASI was unaffected. In the example of Dong Thap Muoi, Long An province, this result reveals that Granovetter’s (1995) theory is not entirely correct. This result differs from that of Vigoda-Gadot and Talmud (2010), Shin and Lee (2016), and others. As a result, employees’ levels of confiding
in and communicating feelings do not correlate with job happiness. Individuals who communicate and confide in others, on the other hand, are dissatisfied with their current work.

According to Bourdieu (1986) and Putnam (2000), “reciprocity” is demonstrated by two categories of factors: REH and BOR. Both of these groups have an impact on SASJ and SASI, according to the findings. In which, REH has a positive effect on SASI (B = 0.095 at 1% significance level), BOR positively and strongly affects both SASJ (B = 0.261 at 1% significance level) and SASI (B = 0.104 at 1% significance level). Thus, the research results help confirm the correctness of social capital theory according to Bourdieu’s (1986) and Putnam’s (2000) views. This research result is also consistent with the research results of Shin and Lee (2016); P. K. Nguyen and Pham (2020). Each individual should not only receive help but also always help others. Mutual support helps each person’s work be more convenient, more successful at work, from which he feels satisfied with his job, and his income is higher.

SASJ has a solid and beneficial influence on INC (B = 0.821 at the 1% significance level). This study reveals that if employees are more than 1 level satisfied with their occupations, their earnings will improve by 81.1 percent. This result is in line with Harris and Todaro’s (1970), as well as Seibert et al.’s findings (2001). As a result, the degree of income is determined by employment. Employees that are happy with their jobs will contribute to an increase in their earnings. As a result, in order to raise their income, employees must be content with their jobs. Employees who are satisfied with their jobs are more likely to invest their efforts in new jobs, increasing their earnings. Employees that are dissatisfied with their jobs become despondent and lose motivation to work. The effectiveness of the work is low, thereby reducing the income.

COSF is a measure of social capital in the home. COSF has a relatively high regression coefficient (B = 0.191, significance level 1 percent), according to the findings. This finding backs up Granovetter’s (1973), Putnam’s (2000), and Lin’s arguments (2001). As a result, the household’s social capital has an impact on the worker’s income. Therefore, each home needs to promote communication with the community to support family members in the working process.

At the 1% significance level, the variable GENDER has B = -0.338, indicating that women earn more than men. This outcome is in line with the findings of a recent study (Alesina & Giuliano, 2010). Women made up only 1/7 of the sample, according to the statistics. Women commonly work in non-agricultural jobs in locations with a high concentration of agricultural economy, such as Dong Thap Muoi, Long An province. Off-farm employment is often paid more and is less dangerous than agricultural jobs (DFID, 2007).

We can draw some implications from the research as follows:

The job satisfaction of each individual is a factor that has a substantial and positive influence on the employee’s income. Therefore, each individual must do what he loves, feeling satisfied with his work. Each person should not be forced to do jobs that they do not like and are unhappy with, which does not help individuals with higher incomes. As a result, if each person believes that they no longer enjoy their current job or are dissatisfied with it, they should seek out another employment, different surroundings, or switch to a job that they enjoy in the hopes of increasing their income.

Individuals must seek to develop their social capital in order to achieve personal work satisfaction. To increase social capital, each individual must focus on establishing trust, providing support, or assisting others so that they can accept help from others when they are in need. Employees working in any environment also need to have trust, cohesion, and support for each other. Among them, trust is the critical factor. Each individual must maintain their
credibility in all interactions with those around them. It’s not simple to gain trust in a flash. It takes time for people to develop trust. Building trust is difficult; keeping it is even more difficult. As a result, individuals must always do the right thing, maintain the word “‘Prestige’,” and earn others’ trust. At the same time, each individual must have faith in, support, and assist others. Individual and group work becomes much more convenient as a result of these factors. You’ll be happier with the work you are doing. The practical effort will surely increase your earnings. Every person should regularly assist people who are in distress. Individuals will have more self-satisfaction as a result of increased work efficiency and income as a result of mutual support at work or in life. At the same time, the family’s relationship with the community and local organizations serves as a vital link in assisting family members in increasing their income. To facilitate members in the working process, each family should promote this point by improving communication, support, or connection with surrounding persons and households.

References


