# THE ROLE OF E-LEARNING IN SUSTAINABLE BUSINESS: A CASE STUDY IN VIETNAMESE SMES

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#### **Abstract**

Small and medium-sized enterprises (SMEs) play an important role in Viet Nam, especially in the Vietnamese economy. In Viet Nam, a developing country, the process of globalization brings many chances for businesses. However, many Vietnamese companies, especially more than 97% of SMEs are facing to some challenges such as the competitiveness of SMEs in the market, the lack of information technology, the challenge of shortage of high-quality human resources, employee management, and sustainable business. With the dramatically developing of multimedia and networking, it creates a new environment to meet the requirement for human learning's needs. The new and innovative method of getting education everywhere and every time is E-learning. E-learning can offer potential benefits in learning, make high-quality and cost-effective in training for many people; therefore, it can help SMEs achieve their sustainable business goals. E-system concerns with the instructors, learners, workers and employers who use the laptops or computers to surf the websites to facilitate and update their work. The primary advantages of e-learning consist of learning anytime and anywhere by accessing the Internet, cost reductions, flexibility and more effectiveness. In order to explore the role of e-learning in sustainable business as a novel way of boosting the development in Vietnamese SMEs, this paper first summarizes key concepts in the field of e-learning, sustainable business, Vietnamese SMEs. Then, go on to describe the impact of e-learning in sustainable business, and its particular relevance in SMEs. Finally, we investigate the practice e-learning in Vietnamese SMEs and gives some recommendations to help Vietnamese SMEs get success in applying elearning in their sustainable business objectives.

**Keyword**: E-learning, impact of e-learning, Vietnamese SMEs, sustainable business, SMEs.

**JEL:** O12, M15, D00, I25

# **INTRODUCTION**

E-learning may be a great potential technology in developing countries for speeding up the education development. In fact, Vietnam is at the first rank within the top ten countries in the world in high-growth in e-learning revenues over the following few years (2011-2016), Vietnam projected growth rate in e-learning of 44.3% (Adkins, 2013; Maria, Carmelo, Taniar, Apduhan, & Hutchison, 2014). Moreover, e-learning is not just an alternative method of delivering information as a resource for learning but it can help people teach and learn at any

time and in any place (Slevin, 2008). This article, the authors described the role of e-learning in sustaiable business in Vietnamese SMEs. Moreover, the researchers figured out the recommendations to help SMEs approach their goals effectively by applying e-learning in their business.

#### THEORICAL BACKGROUND

# **&** E-learning

Nowadays, with the boosting of information technology, it creates a new environment for delivering information, sharing knowledge, connecting people, and the like. Moreover, it is a new potential tool to meet the need for human learning. One of the most innovation technology ways of transmitting education resources all over the world is through e-learning (Tao et al., 2006). E-learning is related to online studying such as distance learning, network learning, Internet learning, virtual learning, computer-based learning and web- based learning (Ally., 2004). Moreover, e-learning may become a greater potential source of online learning in developing countries than does it in developed countries because of the urgent need of education to stimulate the development (Kwofie, Benjamin; Henten, 2011).

It is the best way to build up the knowledge for the users not only for schools and universities but also for the companies, organizations or working places in comparing to the traditional teaching method. Firstly, e-learning offers a various forms of information including sounds, videos, texts and the like. Secondly, it creates a storage place over a long period of time and enables the access from a long distance. Thirdly, e-learning can make employers delighted about a greater degree of flexibility in the way work or any learning tasks is organized /delivered.

Furthermore, e-system offlers a lot of advantages for the users and the managers such as centralized data storage, benefits for teachers and students or instructors and employees and so on (Costinela -Lumini & Nicoleta -Magdalena student, 2012). Firstly, it stores many valuable materials (ebooks, videos, texts, images, etc.) in a website, as a result, it makes the users connect directly and use them easier. For instance, people can use their multi-media devices such as laptops, computers, mobile, ipad with the high speed of internet connection, they can surf the website and take the resources fast and simply. Secondly, regarding online materials, the students or the employees can learn the course from anywhere at any time. Thirdly, all resources of E-learning are located in one place in a website, therefore, the network administrator can control the flow of data from inside and outside facilely instead of monitoring a huge of users' computer in a school or a company. In addition, e-learning can make employers delighted about a greater degree of flexibility in the way work or any learning tasks is organized /delivered (Oye, D Mazleena, S. Noorminshah, 2012), (Pocatilu & Alecu). In short, workers can apply their knowledge from training to daily work more effectively. Employers and employees also can perceive that e-learning is the best choice to narrow the gap between home-based business and office work, or between at the office work and learning.

# **❖** Vietnamese SMEs

Small and medium-sized enterprises play a vital role in Viet Nam, especially in the Vietnamese economy. Viet Nam is a developing country and is approaching the process of globalization as well as other countries in the same region. Hence, it brings many chances for big firms and

SMEs. However, many Vietnamese companies, especially more than 97% of SMEs (table 1) are fighting against to some challenges such as the competitiveness of SMEs in the market, the inadequacy of information technology, the challenge of shortage of high-quality human resources, employee management, and sustainable business.

**Table 1:** SME Conditions in East and Southeast Asia in 2012

	Number of Enterprises (% of total)	Number of Employees (% of total)	Contribution to GDP (%)
East Asia			
Japan	99,7	69,4	47,7
Korea	99,9	87,7	47,6
China	99	75	58,5
Southeast Asia			
Brunei	98,4	58	22
Cambodia	98,5	-	85
Indonesia	99,9	97	56,5
Lao PDR	99,8	83	6 to 9
Malaysia	99,2	59	31,9
Myanmar	92	-	-
Philippines	99,6	63,2	35,7
Singapore	99,4	62,3	46,3
Thailand	99,8	78,2	36,7
Vietnam	97,4	77,3	26

(Source: Asian Development Bank (Warr, Menon, & Yusuf, 2009)

With the boosting of multimedia and networking, it offers a new environment to meet the requirement for customer's needs. The best method of gaining knowledge everywhere and every time is E-learning. E-learning can offer potential benefits in training employees and approaching new technology for workers; therefore, it can also help SMEs achieve their sustainable business goals quickly. E-learning is related to the instructors, employers, workers and learners or employees who use the laptops or computers to surf the websites to learn or work online. The primary advantages of e-learning consist of learning anytime and any where by accessing to the Internet, flexibility and more effectiveness. In briefly, due to the quick shift in many kinds of working places, employees need to improve and upgrade their information technology's skills in working with new high-tech equipment to meet the developping of globalization's process in Vietnam in specific and in the world in general. E-learning is the best choice not only for big firms or organizations but also for SMEs in improving the workers 'skills and their capacity.

# **❖** Substanable business

The concept of sustainability has been considered from variety of perspectives and contexts in which the term sustainability is used, such as philosophical, historical, economic, political,

social, and cultural perspectives (Becker, Jahn, & Stieß). However, the concept of sustainability is closely associated with environmental science, and often described as the "goals or endpoints of a process called 'sustainable development'" (Diesendorf, 2000). Regarding (Brundtland, 1987), sustainable development is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." The new 17 global goals for sustainable development that adopted by 193 countries at UN at September 2015 provide the roadmap that will help the wold achieve substainable development.

In the same contexts, the concept of substainable business, or corporate substainability also varies depending on the field and has strong social component. For example: In agribusiness, substainable business can encompass concepts such as organic farming, urban horticulture and permaculture; In manufacturing, sustainability efforts may include waste elimination, greenhouse gas reduction, finding the most efficient and profitable use of existing resources (such as oil, gas, ores and forests) and creating energy-efficient infrastructures; In retail, sustainability experts often focus on the supply chain, evaluating ways to minimize waste in packaging, facilitate energy use in stores, transport goods in more eco-friendly ways and recycle old products.

Substainable business requires firms to adhere to the principles of sustainable development and it often defined as managing the triple bottom line - a process by which companies manage their financial, social and environmental risks, obligations and opportunities. These three impacts are sometimes referred to as profits, people and planet. Therefore, sustainable business is the management and coordination of environmental, social and financial demands and concerns to ensure responsible, ethical and ongoing success.

It can be said that substainale business is an enterprise that has minimal negative impact on the global or local environment, community, society, or economy. The sustainable business perspective takes into account not only profits and returns on investment but also how business operations affect the environment, natural resources, and future generations. Sustainability at the business level can be thought of as taking steps, such as recycling and conserving nonrenewable material and energy use to reduce the negative impact of a business's operations on the environment. While managing operations to reduce negative environmental impact is an important part of business sustainability, these types of activities are increasingly part of a deeper strategic perspective on sustainability for businesses.

#### IMPACT OF E-LEARNING IN SUBSTANABLE BUSINESS

E-learning creates a virtual environment to deliver knowledge via electronic information. This method narrows the gap between work and learning (Oye, D Mazleena, S. Noorminshah, 2012), (Nguyen, Zoltán, & Binh, 2016). In fact, employees can combine their learned-knowledge from the training period into work more efficiently because they can use the same technology for work and learning. Regarding virtual environment learning, e-learning helps workers decrease the distance between workplace and home through updating information online and learn new things immediately. In particular, with the booming of information technology, people can cut down the travel expenses, time-consuming and extend chances for learners to learn outside institutions, transforming conventional views on education (Collins & Halverson, 2010).

Conventional teaching method requires people move to and from the training place several times during a week (Oye, D Mazleena, S. Noorminshah, 2012). For example, workers can concentrate on the knowledge that they really want to learn via multi-devices as smart phones or tablets, thus, helping them to take online courses whenever or wherever they need. Moreover, the employers can create, upload, and share online course during a few hours with their workers. Furthermore, e-learning system can reduce the cost for both workers and employers (Sajjad Hashemi), (Kwofie, Benjamin; Henten, 2011).

There are many various learning products and packages as computer based training materials or online learning management system. The employees can choose some products or packages which are suitable with their money. Otherwise, it is also easy for the implementers when the company wants to recruite workers because the human resource division must train the employees to know what they can work with the applications. This procedure is duplicated many times in a year and it also takes a lot of time and money for the firm. In another hand, the companies do not need to invest high initial in deploying each machine for the workers' data storage regarding e-learning system.

### **ELEARNING IN VIETNAMESE SMES**

Regarding the hypothesis, type of variables, the purpose of testing, type of data, etc., the authors selected appropriate methodology for testing. This hypothesis was tested with 0,05 level of significance and was done by SPSS. The hypothesis is tested and evaluated specific results which is presented below [table 2].

# The requirement of e-learning for workers and employers in SMEs in Vietnam

By the Chi- Square test (Howell, 2000), our results are described as below:

**H1:** the requirement for studying in e-learning does not rely upon working status not only for full time workers but also for part-time workers.

- ✓  $\mathbf{H_0}$ : The requirement for studying e-learning does not rely upon working status (full time or part-time)
- ✓ **H**<sub>A</sub>: The requirement for studying e-learning rely upon working status (full time or part-time)

**Table 2**: Chi-Square test for **H1** (source: own data)

#### **Chi-Square Tests** Asymptotic Significance (2-Value df sided) Pearson Chi-Square 3.856<sup>a</sup> 3 .277 Likelihood Ratio 3.932 3 .269 Linear-by-Linear Association .144 .705 N of Valid Cases 152

From the [table 2], the authors can observe that Chi-Square = 3.856 and its corresponding P value is 27.7% > 5%, we accept hypothesis **H**<sub>0</sub>: the requirement for studying e-learning does

not rely upon working status and we reject **H**<sub>A</sub>. 54% full-time workers believed that they need e-learning during their training time and 59% part-time employees and employers shared similar views.

#### **CONCLUSION**

E-learning is the best way which far outweighs the conventional teaching method. Internet-based training can facilitate learners and instructors or workers and employers in working environment. Moreover, e-learning is a vital and useful tool not only for the employers or managers to train workers but also for workers to learn new technologies in diffent ways. In this research, we recognized that Vietnamese workers extremely need e-learning not only for their full-time working but also for part-time workers during their training program. Moreover, online materials are quite valuable for their own learning regarding their training status. The authors belive that e-learning will become more popular and effective in the future in order to make profit for company and contribute to sustainable development not only for SMEs but also for big organizations.

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