

# ĐÁNH GIÁ TẦM QUAN TRỌNG TƯƠNG ĐỐI CỦA CÁC BÊN LIÊN QUAN TRONG THU HÚT ĐẦU TƯ TRỰC TIẾP NƯỚC NGOÀI: TIẾP CẬN DELPHI–AHP TRONG BỐI CẢNH VIỆT NAM

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## Tóm tắt

Nghiên cứu này đánh giá mức độ quan trọng tương đối của các bên liên quan trong thu hút đầu tư trực tiếp nước ngoài (FDI) vào Việt Nam thông qua kết hợp phương pháp Delphi và Phân tích thứ bậc (AHP). Phương pháp Delphi được sử dụng để xác định và xác nhận các bên liên quan chủ chốt dựa trên đồng thuận chuyên gia, sau đó AHP được áp dụng nhằm xác định tầm quan trọng tương đối của các nhóm này dựa trên đánh giá của 16 chuyên gia. Sáu bên liên quan chính được xem xét bao gồm: Chính phủ trung ương, chính quyền địa phương, doanh nghiệp có vốn đầu tư nước ngoài, doanh nghiệp trong nước, cộng đồng địa phương và các cơ sở giáo dục – nghiên cứu. Kết quả cho thấy chính quyền địa phương giữ mức độ quan trọng cao nhất (0,2339), tiếp đến là Chính phủ trung ương (0,2229) và doanh nghiệp có vốn đầu tư nước ngoài (0,2159). Mặc dù các nhóm còn lại có mức độ ảnh hưởng thấp hơn tương đối, vai trò của họ vẫn không thể thiếu trong việc đảm bảo tính bền vững của dòng vốn FDI. Nghiên cứu đóng góp vào việc củng cố nền tảng lý thuyết về quản trị đa cấp và tương tác giữa các bên liên quan trong quá trình thu hút FDI, đồng thời cung cấp bằng chứng thực nghiệm nhằm hỗ trợ hoạch định các chính sách đầu tư hiệu quả và bền vững hơn tại Việt Nam.

**Từ khóa:** Đầu tư trực tiếp nước ngoài (FDI); Các bên liên quan; Tiếp cận Delphi – AHP; Việt Nam.

## ASSESSING THE RELATIVE IMPORTANCE OF STAKEHOLDERS IN ATTRACTING FOREIGN DIRECT INVESTMENT: A DELPHI–AHP APPROACH IN VIETNAM

### Abstract

This study evaluates the relative salience of stakeholders in attracting foreign direct investment (FDI) to Vietnam by employing the Delphi method in combination with the Analytic Hierarchy Process (AHP). The Delphi technique was applied to identify and validate the key stakeholder categories through expert consensus, then AHP was used to determine their relative importance based on assessments by sixteen experts. Six major stakeholder groups were examined, including the central government, local authorities, foreign-invested enterprises, domestic enterprises, local communities, and educational and research institutions. The findings reveal that local authorities possess the highest level of importance (0.2339), followed by the central government (0.2229) and foreign-invested enterprises (0.2159). Although the remaining groups exhibit comparatively lower levels of influence, their roles remain essential to the long-term sustainability of FDI. Overall, the study advances theoretical understanding of multi-level governance and stakeholder interaction in the FDI attraction process, while providing empirical insights to support the formulation of more effective and sustainable investment policies in Vietnam.

**Keywords:** Foreign Direct Investment (FDI); Stakeholders; Delphi–AHP Approach; Vietnam

JEL classification: F21, F23, O25, R58, H77

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## 1. Introduction

Over the past three decades, foreign direct investment (FDI) has served as a central driver of Vietnam's economic growth, industrial upgrading, and integration into global value chains. FDI has contributed substantially to export expansion, technological diffusion, productivity enhancement, and employment creation (UNCTAD, 2022; World Bank, 2024). Despite these achievements, Vietnam's efforts to attract and retain high-quality and sustainable FDI continue to face structural challenges. These include intensifying competition across host

economies, gaps in infrastructure and human capital, rising expectations from multinational enterprises, and persistent inconsistencies in policy implementation and inter-agency coordination (Nguyen & Sun, 2021; OECD, 2023). These pressures underscore the need for more adaptive, coherent, and participatory governance mechanisms in FDI attraction.

In this evolving environment, FDI attraction can no longer be regarded as the exclusive responsibility of the central government but as a multi-level and multi-actor process embedded within a broader investment

governance ecosystem. Stakeholder theory (Freeman, 1984) highlights that system performance depends on the ability to balance the interests of interdependent actors. Within the FDI context, these stakeholders extend beyond central and local governments to include foreign-invested enterprises, domestic firms, intermediary institutions, and local communities, each playing a distinct role through their policies, actions, capabilities, and feedback channels (Donaldson & Preston, 1995; OECD, 2023). Effective FDI governance therefore hinges on understanding how these actors interact and how their relative influence shapes the investment environment.

Although literature acknowledges the importance of multiple stakeholders in FDI attraction, existing research remains largely unilateral in analytical orientation. Prior studies predominantly examine isolated determinants such as institutional quality, infrastructure, or firm-level competitiveness (Dunning, 1988; Blonigen, 2005), while systemic and multi-stakeholder analyses are comparatively scarce. Only a limited number of studies attempt to conceptualize stakeholder interdependence in FDI attraction, and even fewer provide quantitative assessments of the relative salience of stakeholder groups within a unified analytical framework (Nguyen & Nguyen, 2020; Le & Nguyen, 2022). Moreover, the social dimensions, particularly the role of local communities, which both benefit from and are affected by FDI projects—remains insufficiently incorporated into current models (UNCTAD, 2022; Tran & Pham, 2024). These gaps restrict the development of comprehensive, balanced, and evidence-based investment policies.

To address these shortcomings, this study aims to systematically quantify the relative salience of key stakeholder groups in attracting FDI to Vietnam. A two-stage Delphi–AHP design is employed to ensure both conceptual rigor and empirical robustness. First, the Delphi method is used to validate stakeholder categories and refine the hierarchical structure through iterative expert consensus. Subsequently, the Analytic Hierarchy Process (AHP) determines the priority weights and hierarchical relationships among stakeholders within the FDI governance system. This integrated methodology enables a structured comparison of stakeholder influence and offers a

deeper understanding of how multi-level governance dynamics shape FDI outcomes.

This research makes two key contributions. Theoretically, it extends stakeholder theory into the domain of international investment attraction by operationalizing multi-actor influence within a quantifiable decision-making hierarchy. Practically, the findings provide evidence-based insights to support policymakers in prioritizing interventions, enhancing coordination across stakeholder groups, and designing more sustainable and inclusive FDI attraction strategies. The following section reviews the existing body of literature, clarifying the conceptual underpinnings, roles, and interrelationships of stakeholder groups in FDI attraction, and identifying the research gaps that inform the analytical orientation of this study.

## 2. Literature Review

### 2.1. Theoretical Foundations of Foreign Direct Investment (FDI) Attraction

Foreign direct investment (FDI) is widely recognized as a crucial driver of economic growth, technology transfer, and international integration, particularly in developing economies (Dunning, 1993; Borensztein et al., 1998). According to Dunning's *Eclectic Paradigm*—commonly referred to as the *OLI framework* (Ownership–Location–Internalization)—the decision to engage in FDI is determined by three sets of advantages: (i) ownership-specific advantages of the investing firm, (ii) location-specific advantages of the host country, and (iii) the internalization benefits derived from conducting operations within the firm rather than through external markets (Dunning, 1980, 2000).

Recent research has expanded this framework by emphasizing the importance of institutional quality, infrastructure development, human capital, and socio-environmental factors in shaping an attractive investment environment (Wang & Wong, 2021; Nguyen et al., 2023). In the context of Vietnam, several studies have highlighted that the effectiveness of FDI attraction depends not only on the government's macroeconomic policies but also on the administrative capacity, transparency, and investment facilitation of local authorities (Nguyen & Sun, 2020; Tran, 2022). Consequently, the FDI attraction process should be conceptualized as a multi-dimensional system

of interaction among actors with varying interests and influence—namely, the *stakeholders* within the investment ecosystem.

## 2.2. Stakeholder Theory

The *Stakeholder Theory*, originally proposed by Freeman (1984), posits that the success of an organization or public policy depends on its ability to identify, balance, and respond to the expectations of different stakeholder groups. Stakeholders are defined as individuals or organizations that can affect or are affected by the achievement of an organization's objectives (Freeman et al., 2010).

Mitchell et al. (1997) suggest that the salience of each stakeholder is determined by three key attributes: power, legitimacy, and urgency. Within the domains of economic development and investment, this theoretical perspective provides a valuable lens through which to analyze the interactions among governments, enterprises, communities, and intermediary organizations in creating an enabling investment environment (Donaldson & Preston, 1995; Clarkson, 1995).

Applications of stakeholder theory in FDI research indicate that considering stakeholder perspectives helps shift the analytical focus from a purely economic viewpoint to an institutional and socio-political one—where investment decisions are shaped by coordination capacity, collaborative relationships, and mutual trust among actors (Spar & La Mure, 2003; Meyer et al., 2018).

## 2.3. Stakeholders in FDI Attraction

The attraction of foreign direct investment (FDI) is a multidimensional process shaped by the interaction of diverse actors whose interests, capacities, and behaviors jointly determine investment outcomes. Drawing upon Stakeholder Theory (Freeman, 1984; Donaldson & Preston, 1995), effective FDI attraction requires the alignment of incentives, cooperation, and coordination among stakeholders operating at different levels of governance. In the Vietnamese context, the performance of FDI inflows is not only a function of economic fundamentals but also heavily influenced by institutional quality, human capital, and the social legitimacy of investment activities (Nguyen & Sun, 2020; Tabash, 2024).

Based on the synthesis of prior research, five primary stakeholder groups are commonly identified in the FDI attraction process. *However, during the Delphi interviews, experts consistently emphasized a sixth group—Educational and Research Institutions (ERIs)—as an emergent and increasingly influential actor in the context of technology-intensive and knowledge-based FDI.* This expert-based refinement reflects the evolution of Vietnam's investment landscape toward high-quality FDI and provides a theoretically sound basis for incorporating ERIs into the analytical framework.

Accordingly, six stakeholders are examined in this study as detailed below.

### (1) Central Government

The central government plays a pivotal role in designing national investment strategies, establishing the legal and regulatory framework, formulating tax and financial incentives, and maintaining macroeconomic and political stability—factors that serve as fundamental signals of host-country credibility (Dunning, 2000; Tabash, 2024). It also oversees national investment promotion agencies, such as the Foreign Investment Agency and the Department of External Relations, which conduct global outreach, brand promotion, and negotiations of bilateral investment treaties (OECD, 2022). UNCTAD (2023) highlights that consistency, predictability, and transparency in central policymaking remain decisive determinants of a country's ability to attract high-quality and technology-oriented FDI.

### (2) Local Governments

Local governments function as the primary implementing bodies responsible for investment licensing, industrial-zone management, business support services, and administrative reforms at the subnational level. Their governance efficiency, digitalization of public services, infrastructure readiness, and responsiveness to investor needs collectively define local competitiveness (Vu & Holmes, 2019; Nguyen et al., 2023). Empirical evidence demonstrates that local institutions substantially influence FDI location choices (Mukundhan & Nandakumar, 2016). In Vietnam, the proactive governance models in provinces such as Bac Ninh, Hai Phong, and Quang Ninh have cultivated distinctive “investment brands,” underscoring how subnational leadership can

significantly enhance regional attractiveness (Nguyen & Jindra, 2021).

### **(3) Foreign-Invested Enterprises**

Foreign-invested enterprises sit at the core of the FDI ecosystem, making strategic decisions regarding capital allocation, technologies, supply chain integration, and long-term investment commitments. Beyond financial contributions, FIEs are critical carriers of technology transfer, innovation diffusion, and managerial upgrading in host economies (Borensztein et al., 1998; Sultan et al., 2025). Their sustained engagement depends heavily on institutional reliability, regulatory enforcement, and cooperative relations with local authorities (Meyer et al., 2018). In the contemporary digital economy, investors increasingly prioritize transparent regulatory environments, skilled human capital, and high-quality digital infrastructure—key determinants of Vietnam's competitiveness in attracting new-generation FDI (RMIT Vietnam, 2025).

### **(4) Domestic Enterprises**

Domestic enterprises form the backbone of spillover channels within the FDI value chain. According to Narula and Dunning (2010), positive externalities from FDI can materialize only when domestic firms possess adequate absorptive capacity, technological readiness, and a proactive orientation toward collaboration. In Vietnam, evidence indicates that FDI–local firm linkages remain weak, especially in supporting industries and high-technology supply chains (Nguyen & Jindra, 2021; Vu, 2022). Strengthening these linkages is thus essential to maximize the developmental impacts of FDI. Investment policies must therefore be aligned with initiatives that build domestic enterprise capabilities, enabling them to evolve from peripheral subcontractors into strategic partners within global production networks (OECD, 2022; Vietnam News, 2024).

### **(5) Local Communities**

Local communities represent the human and social dimension of the FDI ecosystem, shaping both the acceptance and sustainability of investment projects. Their influence extends beyond passive observation to include expectations regarding environmental protection, labor rights, land acquisition processes, and corporate social responsibility (CSR). As CSR standards and environmental governance become

increasingly stringent, community perceptions play a decisive role in granting foreign firms a "social license to operate," particularly in sensitive sectors such as energy, mining, and manufacturing (Clarkson, 1995; Meyer et al., 2018; Huang et al., 2023).

International experience demonstrates that community resistance can delay or disrupt FDI projects, while strong community engagement can lead to long-term project stability. In Vietnam, the need to balance economic development with social–environmental responsibilities position local communities as a critical stakeholder group in ensuring sustainable FDI attraction (Tran & Nguyen, 2023).

In modern FDI landscapes, the significance of local communities has grown due to increasing emphasis on corporate social responsibility (CSR), environmental accountability, land acquisition processes, labor rights, and community welfare (Huang et al., 2023; UNIDO, 2024). Community resistance, particularly in sectors with environmental or social sensitivity, can delay, disrupt, or even halt FDI projects, whereas strong community engagement enhances investor confidence and project longevity. In Vietnam, ensuring harmonious interactions between investors and communities is regarded as a prerequisite for sustainable FDI attraction (Tran & Nguyen, 2023).

### **(6) Educational and Research Institutions**

Educational and Research Institutions (ERIs) constitute an increasingly important stakeholder group in the era of technology-driven and knowledge-intensive FDI. Although earlier literature primarily highlighted the *indirect* role of ERIs in human capital formation and long-term innovation capacity, recent empirical studies emphasize their *direct and immediate influence* on investors' initial location decisions—especially in sectors requiring highly skilled labor, R&D capabilities, and innovation ecosystems (Lafuente et al., 2020; OECD, 2024).

ERIs contributes to FDI attraction through three key channels: (1) *Human Capital Quality and Skills Supply* Universities and vocational institutions supply skilled labor that reduces recruitment costs, enhances productivity, and ensures workforce availability—an essential factor for FDI in electronics, ICT, semiconductors, and digital industries (World



Bank, 2024). (2) *Innovation and Industry–Academia Linkages*: ERIs facilitate technology transfer, applied research, and collaborative innovation projects that strengthen the competitiveness of firms operating in host regions. These linkages are central to the formation of innovative clusters and industrial ecosystems. (3) *Location-Specific Advantage for High-Tech FDI*: The presence of strong universities, research centers, and science–technology hubs are increasingly viewed by foreign investors as a strategic location advantage, comparable in importance to infrastructure or administrative efficiency.

Delphi experts in this study unanimously noted that Vietnam’s emerging science–technology hubs (e.g., Hanoi, Ho Chi Minh City, Da Nang) have played a significant role in attracting high-value FDI projects. This expert consensus provides a robust methodological justification for including ERIs as a distinct stakeholder group in the AHP model.

#### 2.4. Research Gap

Although a substantial body of literature has examined the economic, institutional, and policy determinants of foreign direct investment (FDI) attraction, most existing studies predominantly emphasize macroeconomic quantitative variables—such as GDP growth, infrastructure, labor costs, or tax incentives—while overlooking the multi-stakeholder nature of the FDI process. Research on stakeholders in the context of FDI in Vietnam remains fragmented and lacks comparative quantitative assessment regarding the *relative importance* of different stakeholder groups (Vu, 2022; Le & Pham, 2024).

Furthermore, as Vietnam increasingly pursues the dual objectives of attracting *high-quality* FDI and promoting *sustainable development*, there is an urgent need to identify and rank the influence of key stakeholders to strengthen policy coordination and improve the investment

climate. To address this gap, the present study builds upon the theoretical foundations of Stakeholder Theory and the OLI Paradigm and employs the Analytic Hierarchy Process (AHP) to evaluate the relative importance of stakeholder groups in FDI attraction in Vietnam. In doing so, the research contributes to filling a significant gap in both theoretical and empirical understanding of multi-stakeholder dynamics in FDI attraction within emerging economies.

### 3. Research Methodology

#### 3.1. Delphi Method

The Delphi technique, named after the ancient Greek oracle renowned for her prophecies, is described as a “*structured group communication process*” designed to enable a panel of individuals to achieve consensus on complex issues in a systematic and effective manner (Thangaratinam & Redman, 2005; Vernon, 2009).

In the first round of the Delphi process, this study conducted sixteen semi-structured, face-to-face interviews with experts in the field to gather their opinions on the identification of stakeholders involved in attracting FDI in Vietnam. Initially, the researcher contacted selected experts to introduce the purpose and significance of the study as well as the structure of the interview. Once an expert confirmed their suitability and consented to participate, the discussion focused on identifying key stakeholder groups relevant to FDI attraction.

The results of the first round indicated a high level of agreement among experts regarding the stakeholder categories, which were derived primarily from the synthesis of previous literature. Using dichotomous (“Yes”/ “No”) questions, experts were asked to indicate their agreement or disagreement with each proposed stakeholder group. Any additional suggestions or modifications provided by participants were systematically recorded and synthesized to form the basis for the second round of the Delphi procedure.

**Table 1:** Newly Identified Stakeholder Group Added by the Delphi Expert Panel

New stakeholder	Definition
Educational and Research Institutions	Universities, research institutes, and training organizations serve as critical providers of high-quality human resources and sources of innovation capacity within the investment environment (Nguyen et al., 2024). According to the OECD (2022), “the degree of linkage between the education system and the business sector” is a key indicator reflecting an economy’s absorptive capacity for FDI. Similarly, Sultan et al. (2025) emphasize that collaboration between FDI enterprises and domestic research institutions can generate co-innovation effects, thereby enhancing productivity and national competitiveness.

After synthesizing and incorporating the feedback from sixteen experts regarding the relevant stakeholder groups in FDI attraction, a second-round Delphi survey was conducted to validate and confirm the expert consensus on these factors. As shown in Table 2, all stakeholder groups identified

in the first-round Delphi interviews—based on prior literature—achieved an agreement rate exceeding 70% in the second round. Therefore, these stakeholder groups were confirmed by the expert panel for inclusion in this study.

**Table 2:** Content validity results of stakeholder groups for FDI attraction in Vietnam

No	Stakeholders	n <sub>e</sub>	Rate (%)	CVR	Result
1	Central Government (CG)	15	93.75	0.88	Accepted
2	Local Government (LG)	16	100.00	1.00	Accepted
3	Foreign-Invested Enterprises (FIE)	14	87.50	0.75	Accepted
4	Domestic Enterprises (DE)	13	81.25	0.63	Accepted
5	Local Community (LC)	13	81.25	0.63	Accepted
6	Educational & Research Institutions (ERI)	12	75.00	0.50	Accepted**

**Note:** Content validity was assessed using Lawshe's (1975) CVR method. For 16 experts, the minimum acceptable CVR is 0.51. All stakeholder groups meeting this threshold were retained for AHP analysis. The ERI group, although marginally below the threshold, was additionally supported by Delphi expert consensus and recent empirical evidence and was therefore included in the final model.

### 3.2. AHP Method

Professor Thomas L. Saaty predicted a practical problem in decision-making in 1980 as a result of hierarchical analysis (Saaty, 1988). Unpredictable decision-making problems are transformed into a framework system consisting of various stages (Ang, 2008; Dey & Cheffi, 2013). That is the method of taking the scale from the pairwise comparisons. This is useful in complex judgments involving pairwise contrasts, simultaneously supporting each assessment's qualitative and quantitative properties. In Saaty's opinion, instead of using the arithmetic mean strategy, the geometric mean method is used to construct the individual pairwise comparison matrices, from which the results can be obtained.

**Step 1.** State the goal and identify the critical factors. This study is used to evaluate the factors considered success factors in FDI. After a detailed review of literature reviews and an assessment of expert feedback.

**Step 2.** Set of inverses pairwise comparison matrices. This step will compare each identified factor with the remaining factors in term four of their perceived importance (from qual critical to extremely important) based on Saaty's one-point scale. After receiving the results, essential questions of the pairwise comparison survey are sent to experts. Where are positive elements of the pairwise comparison matrix,  $i, j = \overline{1, 2, \dots, n}$  and  $n$  is the number of critical factors. The matrix

satisfies the reciprocal property, and the diagonal parts are equal to 1.

**Step 3.** Calculate the relative importance of the factors. After constructing the positive reciprocal matrices, the eigenvalue ( $W_i$ ) is computed by normalization the geometric mean of the rows (NGM). The NGM is calculated as

Based on the importance of each factor, the relative importance of all critical factors can be ranked.

$$W_i = \left( \prod_{j=1}^n a_{ij} \right)^{\frac{1}{n}} / \sum_{i=1}^n \left( \prod_{j=1}^n a_{ij} \right)^{\frac{1}{n}}$$

**Step 4.** Check the consistency ratio (CR). To ensure that the pairwise comparison matrix is consistent is computed as follows:

$$CR = \frac{CI}{RI}$$

$$CI = \frac{\lambda_{max} - n}{n - 1}$$

Where denotes consistency index, RI represents the random consistency index (Table 4), the index of a pair-wise comparison matrix randomly generated according to the number of drivers, and  $\lambda_{max}$  is the maximum eigenvalue. If the consistency for the pairwise comparison matrix is acceptable (Thomas L. Saaty, 1991), indicating that decisions are based on the normalized values. Otherwise, the results are inconsistent, and the AHP procedure must be repeated until the value is satisfied (Thomas L. Saaty, 1991; Vaidya & Kumar, 2006)

**Table 3:** Random Consistency Index (RI) Values

$n$	1	2	3	4	5	6	7	8	9	10
RI	0.00	0.00	0.58	0.90	1.12	1.24	1.32	1.41	1.45	1.49

**Note:**  $n$  = number of criteria. Source: Saaty (1980)

## 5. Results and Discussion

The expert panel consisted of sixteen participants selected based on their specialized knowledge, practical experience, or academic expertise related to foreign direct investment (FDI). The selection process was conducted

purposely to ensure diversity in professional backgrounds, areas of expertise, and institutional representation, thereby reflecting the perspectives of the principal stakeholder groups involved in FDI attraction in Vietnam.

**Table 4: Demographic Characteristics of the Experts (n = 16)**

Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	11	68.8
	Female	5	31.2
Age group (years)	30–39	4	25.0
	40–49	7	43.8
	50 and above	5	31.2
Educational qualification	Master's degree	6	37.5
	Doctoral degree (PhD)	10	62.5
Professional field	Economics / Investment	5	31.2
	Public administration / Policy	3	18.8
	Business management	4	25.0
	Academia / Research	4	25.0
Years of professional experience	3-5 years	3	18.8
	5-10 years	7	43.8
	Over 10 years	6	37.5
Affiliation type	Central government agencies	3	18.8
	Provincial/local governments	3	18.8
	Foreign-invested enterprises	3	18.8
	Domestic enterprises	3	18.8
	Academic / research institutions	4	25.0
Experience related to FDI projects	Directly involved in FDI policy or project management	9	56.3
	Indirectly related (consultancy, research, or support roles)	7	43.7

*Note: The panel was purposively selected for the Delphi and AHP processes.*

Among the sixteen experts participating in the study, eleven were male (68.8%) and five were female (31.2%), with ages ranging from 30 to over 50 years, and the 40–49 age group accounting for the largest proportion (43.8%). In terms of educational attainment, ten experts held doctoral degrees (62.5%), while six held master's degrees (37.5%), demonstrating a high level of academic and professional competence suitable for the analytical requirements of the AHP method.

With respect to professional affiliation, the expert panel consisted of:

Three experts from central government agencies (Ministry of Finance, Ministry of Foreign Affairs, and Ministry of Industry and Trade);

Three experts from local governments (provincial Departments of Finance, Industrial Zone Management Boards, and Provincial Investment Promotion Centers);

Three representatives from foreign-invested enterprises (FIEs);

Three representatives from domestic enterprises engaged in linkages or partnerships with the FDI sector; and

Four experts from higher education and research institutions (universities and institutes of economics and development).

Many experts possessed more than five years of professional experience (81.3%), with 56.3% having direct involvement in FDI project management or consultancy. This composition ensured a balanced representation across state administration, enterprise sectors, and academia, thereby enhancing the objectivity and comprehensiveness of the pairwise comparison evaluations in the AHP process.

Although there was no distinct group of experts representing the local community, this perspective was indirectly incorporated through experts working in local governments and researchers specializing in social and sustainable development. As a result, the expert panel adequately reflected the six stakeholder groups defined in the research model, satisfying key methodological criteria regarding representativeness, multidimensionality, and data reliability.

The demographic and professional characteristics of the sixteen experts are summarized in Table 3. This carefully selected group subsequently participated in two Delphi rounds, the results of which—presented below—

demonstrate a strong level of consensus regarding the principal drivers of FDI attraction, reinforced by the experts' diverse experience and multidisciplinary expertise.

Following the Delphi process, expert evaluations were compiled into pairwise comparison matrices, reflecting the relative importance of stakeholder groups and sub-factors within the AHP model. The individual matrices were then aggregated using the geometric mean method to produce a

composite consensus matrix representing the collective judgments of the sixteen experts.

Table 4 presents the experts' assessment values, constituting the first step in determining the weights of stakeholder groups in FDI attraction. These values were subsequently used to compute the eigenvalue-based priority vectors for each hierarchical level of the AHP model, thereby identifying the relative priorities among stakeholder groups influencing FDI attraction in Vietnam.

**Table 5: Aggregated Pairwise Comparison Matrix for the Six Key Factors**

	CG	LG	FIE	DE	LC	ERI
CG	1.000	1.000	1.125	2.000	2.000	2.313
LG	0.500	1.000	2.000	2.063	2.125	3.063
FIE	0.500	2.000	1.000	2.500	1.938	1.188
DE	0.333	0.490	0.417	1.000	0.500	2.000
LC	0.500	0.479	0.531	2.000	1.000	3.000
ERI	0.250	0.328	0.906	0.500	0.333	1.000

*Note: Values represent the geometric means of all expert judgments.*

*Abbreviations: Central Government (CG); Local Government (LG); Foreign-Invested Enterprises (FIE); Domestic Enterprises (DE); Local Community (LC); Educational Research Institutions (ERI)*

To assess the internal consistency of the aggregated pairwise comparison matrix, the study computed the maximum eigenvalue ( $\lambda_{\max}$ ) and the Consistency Index (CI) following the AHP framework proposed by Saaty (1980). The results indicate that the six-criteria matrix yields a  $\lambda_{\max}$  of 6.3944. Accordingly, the Consistency Index is calculated as:

$$CI = \frac{\lambda_{\max} - n}{n - 1} = 0.0789$$

Given that the corresponding Random Index (RI) for  $n = 6$  is 1.24, the Consistency Ratio (CR) is:

$$CR = \frac{CI}{RI} = 0.0637$$

**Table 6: Priority Vector and Ranking of Stakeholder Groups in FDI Attraction**

Stakeholders	Priority Vector (Normalized Weight)	Rank
Local Government (LG)	0.2339	1
Central Government (CG)	0.2229	2
Foreign-Invested Enterprises (FIE)	0.2159	3
Local Community (LC)	0.1509	4
Domestic Enterprises (DE)	0.0987	5
Educational & Research Institutions (ERI)	0.0777	6

*Note: The Priority Vector was computed from the principal right eigenvector of the aggregated pairwise comparison matrix presented in Table 5.*

The results derived from the AHP model indicate that local governments hold the highest weight (0.2339), followed by the central government (0.2229) and foreign-invested enterprises (0.2159). Collectively,

these three stakeholder groups account for more than 0.67 of the total importance, clearly reflecting a “three-pillar structure” that determines the effectiveness of attracting and sustaining foreign investment in Vietnam.



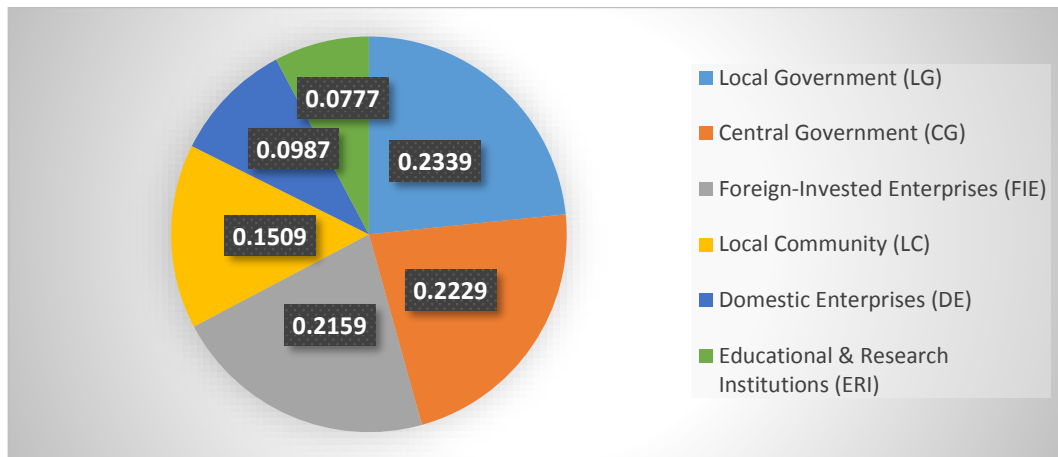


Figure 01. Normalized Priority Weights of Stakeholder Groups in FDI Attraction

Note: The figure illustrates the normalized priority weights derived from the principal eigenvector, corresponding to the values presented in Table 6, and provides a visual comparison of the relative influence of stakeholder groups within the AHP model.

(1) Local Governments (0.2339) – The Determinant of Regional Differentiation

Although Vietnam applies a unified national investment policy framework, the implementation capacity at the local level creates marked differences among provinces and cities in attracting FDI. Localities with well-developed infrastructure, transparent administration, proactive investment promotion, and investor-friendly governance—such as Binh Duong, Bac Ninh, Quang Ninh, and Hai Phong—tend to attract significantly higher levels of foreign capital. This finding aligns with prior studies (Nguyen & Sun, 2023; VCCI & USAID, 2023), which affirm that local institutional capacity is a key determinant of regional investment attractiveness.

(2) Central Government (0.2229) – Policy Foundation and Macroeconomic Stability

The central government provides the strategic direction, institutional framework, macroeconomic stability, and national incentive policies that underpin FDI attraction. Although its weight is slightly lower than that of local governments, this role remains critical, as FDI decisions rely heavily on a stable institutional environment, transparent legal system, and participation in international trade and investment agreements (OECD, 2022; UNCTAD, 2023). Effective coordination between the central and local levels of government thus constitutes a necessary and sufficient condition for sustainable FDI attraction.

(3) Foreign-Invested Enterprises (0.2159) – Sources of Capital and Growth Dynamics

As the direct decision-makers in investment activities, FDI enterprises occupy a central position

within the investment ecosystem. They contribute not only capital, technology, and employment but also enhance supply-chain links and knowledge spillovers to domestic firms. The weight assigned to this group reflects that, while investors are the principal agents of decision-making, their success is still contingent upon institutional reliability and local government support.

A closer examination of the three most influential stakeholder groups—Local Governments, Central Government, and Foreign-Invested Enterprises—reveals a clearly structured governance dynamic that underpins sustainable FDI attraction. The Central Government (CG) performs the role of “setting the playing field” by establishing the national legal framework, ensuring macroeconomic stability, and providing consistent rules and international commitments that form the foundation of investor confidence. Local Governments (LG), in contrast, determine the “quality of the playing field” through their capacity for implementation, administrative transparency, infrastructure provision, and responsiveness to investor needs. Foreign-Invested Enterprises (FIEs), as the “players” operating within this institutional environment, make capital allocation decisions and generate economic, technological, and spillover impacts.

The results of this study reinforce the argument that effective coordination between CG and LG is both necessary and sufficient condition for sustainable FDI attraction. While CG ensures predictability and institutional coherence, LG translates national policies into tangible investment advantages at the local level. In this

configuration, FIEs can only operate efficiently and generate long-term developmental benefits when both levels of government function in harmony. This multi-layered coordination mechanism aligns with the broader theoretical understanding of multi-level governance in FDI and provides an integrated explanation for the observed weighting structure in the AHP results.

*(4) Local Communities (0.1509) – Ensuring Social Sustainability*

The local community's role ranks above that of domestic enterprises and educational–research institutions, underscoring growing awareness of the importance of social consensus in investment development. In many FDI projects across Vietnam, community support, satisfaction regarding environmental quality, employment, and social welfare are decisive for maintaining a firm's *social license to operate*. This finding resonates with the international shift toward “inclusive and sustainable FDI”, as emphasized by UNDP (2021) and the World Bank (2023), which highlight community engagement as essential for the long-term stability and sustainability of FDI.

*(5) Domestic Enterprises (0.0987) – A Limited Spillover Channel*

While domestic firms contribute to supply-chain integration, technological cooperation, and value addition, their relative importance remains modest. The main reasons lie in limited technological absorptive capacity, small operational scale, and weak linkages with the FDI sector—patterns consistently reported in studies on Vietnam (Nguyen et al., 2022). This underscores the urgent need for policies that strengthen FDI–domestic enterprise linkages to amplify the spillover and developmental benefits of foreign investment.

*(6) Educational and Research Institutions (0.0777) – The Long-Term Foundational Driver*

Educational and research organizations are assigned the lowest short-term weight, yet they represent a fundamental long-term enabler of sustainable development. Universities and research institutes supply high-quality human resources, foster innovation, and support research and development (R&D), thereby maintaining the country's long-term FDI competitiveness. The relatively low weight indicates that their influence

is indirect and long-term, rather than a direct determinant of initial investment decisions.

Overall, the AHP results vividly reflect the multi-level governance structure underlying FDI attraction in Vietnam. Local governments serve as the key agents of implementation and regional competitiveness; the central government provides strategic orientation and policy foundations; foreign-invested enterprises and local communities jointly ensure practical effectiveness and sustainability, whereas domestic enterprises and educational–research institutions require stronger integration to enhance their spillover and long-term support roles.

## 5. Conclusion and Policy Implications

### 5.1. Conclusion

The study concludes that FDI attraction in Vietnam operates within a multi-level governance framework involving six stakeholder groups with varying degrees of influence. Based on AHP analysis, local governments emerged as the most influential actors (0.2339), followed by the central government (0.2229) and foreign-invested enterprises (0.2159). Local authorities play a pivotal role in policy implementation and investment facilitation, while the central government provides institutional direction and macroeconomic stability. Local communities contribute to social legitimacy and sustainability, whereas domestic enterprises and educational–research institutions have supporting but still underdeveloped roles.

Theoretically, the research extends stakeholder theory by incorporating the dynamics of multi-level governance and institutional–social interaction in FDI analysis. Practically, it offers empirical insights for improving investment policy coordination, emphasizing administrative reform, infrastructure enhancement, stronger FDI–domestic enterprise linkages, and community participation.

In the Vietnamese context, direct representation of local communities is inherently limited due to the absence of a centralized institutional body that articulates community perspectives in a unified manner. Therefore, incorporating experts with extensive experience in local governance, social development, and environmental management into the Delphi panel represents a practical and context-appropriate approach to capturing community-related

viewpoints. These experts, through their day-to-day interaction with community stakeholders, provide informed insights into social acceptance, environmental concerns, and community expectations that substantially shape the sustainability of FDI projects. This methodological choice enhances the representativeness and realism of the stakeholder assessment undertaken in this study.

## 5.2. Policy Implications

Based on the AHP results and the multi-level governance structure identified in this study, several policy implications are proposed to strengthen Vietnam's capacity to attract sustainable and high-quality FDI.

**First**, enhancing vertical coordination between the Central Government and Local Governments remains crucial. While the CG establishes the legal framework, macro-stability, and international commitments, LGs determine the quality of implementation through administrative transparency, infrastructure readiness, and investor support services. Policies should therefore focus on improving policy coherence, strengthening monitoring mechanisms, and expanding digitalized public services to ensure consistent execution across provinces.

**Second**, domestic enterprises (DE) require targeted interventions to upgrade their role within global value chains. To enhance their absorptive capacity and potential for spillovers, the government should:

(i) develop supporting-industry development programs that provide technical assistance, credit incentives, and quality certification support.

(ii) implement supplier development and matchmaking programs to connect domestic firms with MNCs.

(iii) promote capacity-building initiatives focusing on technology adoption, production standards, and managerial capabilities.

These actions will help domestic firms transition from peripheral subcontractors to strategic partners of FDI enterprises.

**Third**, educational and research institutions need stronger institutional and financial incentives to engage more actively in the FDI ecosystem. Policy measures may include:

(i) establishing R&D collaboration mechanisms between universities, research institutes, and FDI firms.

(ii) providing innovation vouchers or matching grants to encourage joint research and technology-transfer projects.

(iii) offering tax incentives and funding schemes for vocational training centers and technological institutes supplying skilled labor for high-tech FDI sectors.

(iiii) forming university–industry liaison offices to strengthen knowledge transfer and co-innovation.

These policies will elevate ERIs from long-term enablers to active contributors in Vietnam's innovation-driven development pathway.

Finally, community engagement should be institutionalized in FDI governance. Given the absence of a centralized community representation mechanism in Vietnam, local experts with experience in community affairs serve as proxies for capturing social perspectives. Policies reinforcing community consultation, environmental monitoring transparency, and CSR accountability are essential to secure social acceptance and enhance the long-term sustainability of FDI projects.

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