

### Decision support model for evaluating barriers of circular supply chains for sustainability in the textile industry A case study in Vietnam

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## **GROUP MEMBERS**



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Research scope

# Chapter 1: Introduction

### Background & Problem

### CE & Circular Supply Chain

### Research objectives

### Research questions

### Background & Problem



Vietnam is one of the 5 largest garment exporting countries. Vietnam's textile and garment industry has an average growth rate with export turnover contributing 10%-15% of annual GDP. *(GovermentNews, 2021)* 



Vietnam's textile and garment industry also contributes to creating jobs for nearly 2.6 million workers every year *(Virac, 2023)* 

### **Background & Problem**



Environmental pollution is second only to oil and responsible for about 2%-8% of greenhouse gas emissions



Uses about 93 billion cubic meters of water and accounts for about 20% of industrial water pollution

Increasing the amount of waste

(Vietnam National Textile and Garment Group, 2022)

(World Wide Fund for Nature in VietNam, 2021)

(Nhandan, 2023)

## **CE & Circular Supply Chain**



Circular Economy is a closed-loop industrial economic model that aims to minimize waste

(Ghisellini et al., 2016; Geissdoerfer et al., 2017)



**N**17 TTC-Try to make the "closed loop" cycle possible

(Vermeulen, 2015)

(Jia et al., 2020)

### **Research objectives**

#### **Objective1**

Understand and identify the barriers of Circular supply chain for the textile industry in Vietnam.

#### **Objective2**

Determine the relative weights of the CSC barriers.

#### **Objective3**

Propose the managerial implications of the proposed work and constructive recommendations for Vietnamese textile and garment enterprises to overcome the most important barriers to moving towards a circular economy.

### **Research questions**

#### **Question 1**

How important is the circular economy to Vietnam's textile and garment industry?

#### **Question 2**

Which is the top 5 barriers affecting the transition to a circular economy for Vietnam's textile and garment industry?

### **Question 3**

What are constructive recommendations for Vietnamese textile and garment enterprises to overcome barriers to moving towards a circular economy?

The transition from linear economy to circular economy for sustai among SMEs: A study on prospects, impediments, and prerequisites

Barriers to the adoption of the circular economy in the Brazilian sugethanol sector

Managing operations for circular economy in the mining sector: An ana barriers intensity

Exploring barriers to smart and sustainable circular economy: The cas automotive eco-cluster

Investigating barriers to circular supply chain in the textile industr Stakeholders' perspective

Exploring the decisive barriers to achieve circular economy: Strategies textile innovation in Taiwan

	Authors	Number of Respondents
ainability	(Sharma et al., 2020)	6
ıgarcane	(Jesus et al., 2021)	4
alysis of	(Singh et al., 2020)	7
se of an	(Kayikci et al., 2021)	5
ry from	(Kazancoglu et al., 2020)	11
s for the	(Huang, YF. et al., 2021)	9

### **Research scope**



Number of respondents: 7 experts



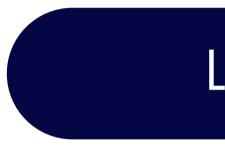
Number of years of experience: over six years experience



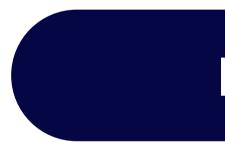
- Field of work: working in departments at small, medium-sized, multinational corporations and foreign-invested enterprise textile enterprises in Vietnam

- Management level: from Middle Management Level and above

# Chapter 2: Literature Review







Literature review

### Circular SC barriers framework

### **Research GAP**

### Literature review

#### **CIRCULAR ECONOMY**

- 'Conceptualizing the circular economy: An analysis of 114 definitions'
- 'Circular economy: The concept and its limitations'
- 'Mapping the social dimension of the circular economy'

#### MCDM, AHP, BARRIERS

- 'Managing operations for circular economy in the mining sector: An analysis of barriers intensity'
- 'Barriers to the adoption of the circular economy in the Brazilian sugarcane ethanol sector'
- 'The analysis of barriers for implementing circular economy practices using the Analytic Hierarchy Process (AHP)'
- 'Designing Strategies to Anticipate Circular Economy Barriers in Furniture Industry'

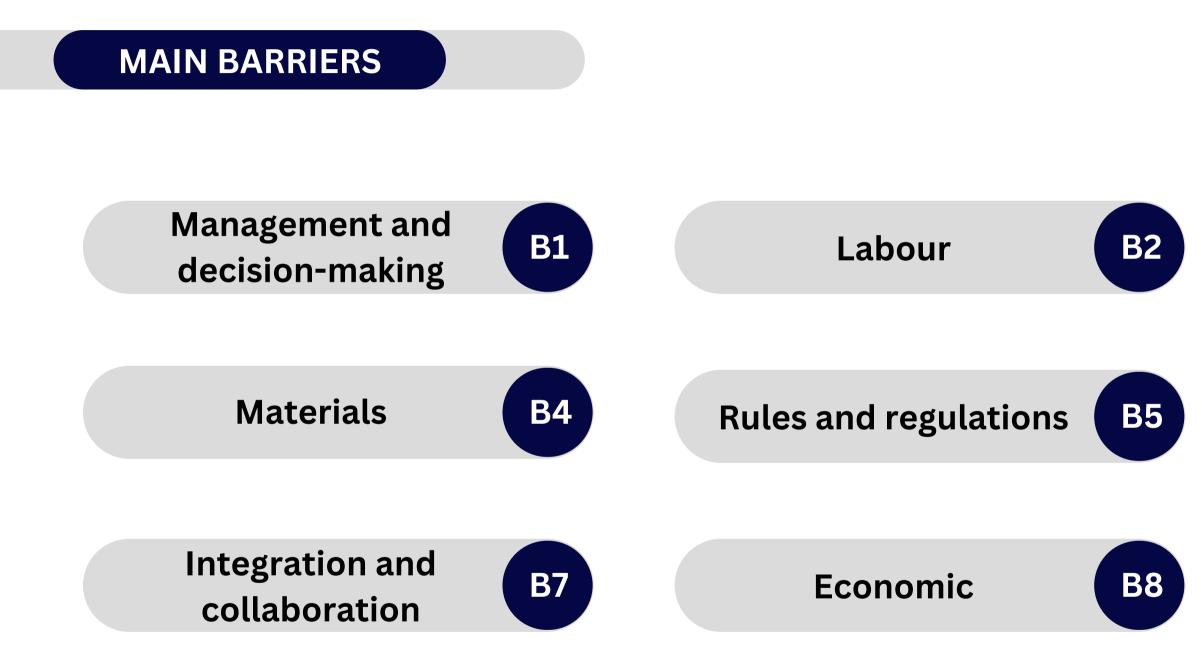
#### (Kirchherr et al., 2017)

(Korhonen et al., 2018)

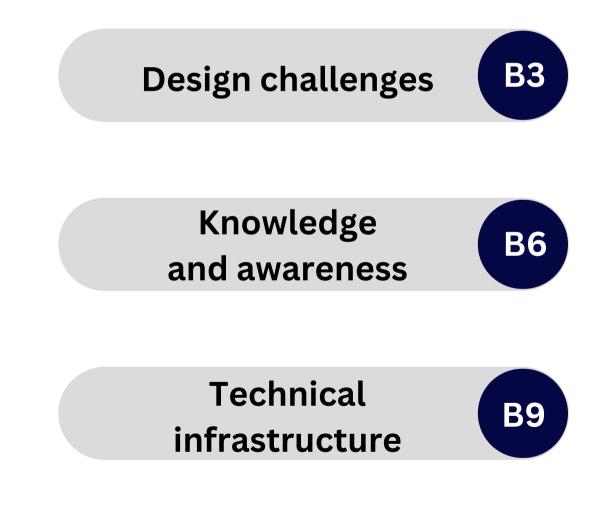
(Mies & Gold, 2021)

(Singh et al., 2020) (Jesus et al., 2021) (Santos et al., 2021)

(Wicaksono et al., 2021)







**B1 - MANAGEMENT AND DECISION-MAKING** 

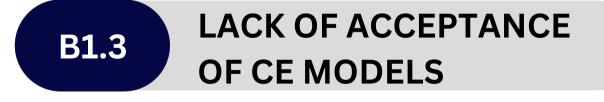
**SUB-BARRIERS** 

#### B1.1 LACK OF PERFORMANCE EVALUATION SYSTEM

Measure management-related activities, especially for fiber, fabric, and clothing manufacturers, as well as collectors and recycling regimes.



Vietnamese textile and garment enterprises are still reluctant to accept CE as a new business model to deploy for their businesses.



Monitoring product life cycles and material flows, stems from a lack of data on raw material origins, identification of ingredients and raw materials, and information relevant to the decision-making process.

#### LACK OF ACCEPTANCE OF CE MODELS

#### **B2 - LABOUR**

#### **SUB-BARRIERS**



#### **NECESSITY OF INTENSIVE WORKFORCE**

Employing many workers in the textile industry, especially circular economic activities in the textile industry require a large amount of labor.

B2.2

#### LACK OF TRAINED INTERMEDIATE STAFF

Adequately trained employees are vital due to the countless intermediate processing steps involved in the textile industry.

#### **B3 - DESIGN CHALLENGES**

#### **SUB-BARRIERS**

### B3.1

#### LACK OF COMPLEMENTARY PROCESSES

Key stages from raw material sourcing to garment production. Coordination between these processes is imperative to ensure the quality, efficiency, and adaptability of textile production.

#### **B3.2**

#### **COMPLEXITY IN PRODUCT ARCHITECTURE**

When product design becomes too complex, it will increase production costs, be susceptible to errors and damage, and limit innovation in the product development process.

#### **B4 - MATERIALS**

**SUB-BARRIERS** 

#### **AVAILABILITY OF B4.1 RECYCLABLE MATERIALS**

Finding and accessing reusable materials is vital to reducing the environmental impact of products.

### **B4.2**

Sourcing recycled materials used in the textile process and addressing the higher costs associated with premium fibers and materials.

#### **COMPLEXITY IN B4.3** MATERIAL COMPOSITION

Textile products are complex garments and are made from a variety of materials, reducing the possibility of extracting resources from the product and finding alternative solutions.



The cost of recycled materials is higher than the cost of normal materials, because machinery and labor must be used to turn them into usable materials, so higher costs are required.



#### LACK OF HIGH QUALITY

#### **HIGH COST OF RAW MATERIALS**

#### **B5 - RULES AND REGULATIONS**

**SUB-BARRIERS** 

**B5.1** 

LACK OF SECTORIAL STANDARDIZATION

Vietnam's textile and garment industry does not have a roadmap or standard regulations for specific requirements on waste collection and recycling so that businesses can comply.

#### **B5.2**

#### LACK OF CERTIFICATIONS

Lack of quality inspection certificates to monitor whether raw materials and recycled materials purchased from suppliers comply with standards.

#### **B6 - KNOWLEDGE AND AWARENESS**

**SUB-BARRIERS** 

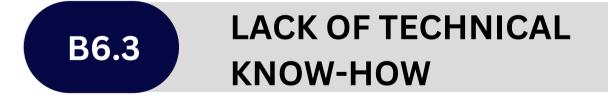


LACK OF CE AWARENESS

Businesses lack knowledge about what materials should be used in products and how to produce textile products using a circular economy.



Vietnamese textile and garment enterprises are still reluctant to accept CE as a new business model to deploy for their businesses.



Technical knowledge about the circular economy in the textile and garment industry of companies is limited and not widely accessible in Vietnam.

#### LACK OF THEORETICAL **INFORMATION**

#### **B7 - INTEGRATION AND COLLABORATION**

#### **SUB-BARRIERS**

#### **B7.1**

#### LACK OF SHARING INFORMATION AND COMMUNICATION

of sharing and exchanging Lack information, methods and techniques on the circular economy of the textile and garment industry between businesses.



Lack of common vision, willingness to cooperate, reluctance to enter into partnerships throughout the enterprise's supply chain.

### **B7.2**

LACK OF CONSTANT SUPPLIER

Lack of regular raw material suppliers in the textile industry for businesses.

#### LACK OF SHARED VISION AND WILLINGNESS TO COLLABORATE

#### **B8 - COST**

**SUB-BARRIERS** 



**HIGH INVESTMENT COST** 

technology, The use of new certification processes, and employee retraining increase costs, and companies are hesitant to invest.



Companies are concerned about profits because they cannot be predicted or known with certainty when investing in a new business model.



#### **FAILURE TO PROVIDE THE SCALE OF PRODUCTION**

apply the circular То economy, businesses need to expand production scale. Vietnam still has a majority of small and medium enterprises.



#### **UNCERTAINTY IN** PROFITABILITY

#### **B9 - TECHNICAL INFRASTRUCTURE**

**SUB-BARRIERS** 

**B9.1 INADEQUATE OF INFRASTRUCTURE FACILITIES** 

Lack of infrastructure in the textile industry, such as production facilities, warehouse systems, transportation networks, technical facilities, etc.



#### LACK OF HIGH-TECH IN REVERSE LOGISTICS

Hinders the effective functioning of reverse logistics sustainability in organizations, and systems contributing to mitigating environmental problems.



### Summary of evaluation barriers

		igemen ion-ma (B1)			oour 32)		ign enges 3)		Mate (B	erials 24)			s and ations (5)		wledge warene: (B6)		-	gration aborat (B7)		E	Econom (B8)	ic	infrast re	
Authors [Ref]	Lack of performance evaluation system	Lack of acceptance of CE models	Lack of traceability	Necessity of intensive workforce	Lack of trained intermediate staff	Lack of complementary processes	Complexity in product architecture	Availability of recyclable materials	Lack of high quality	Complexity in material composition	High cost of raw materials	Lack of sectorial standardization	Lack of certifications	Lack of CE awareness	Lack of theoretical information	Lack of technical know-how	Lack of sharing information and communication	Lack of constant supplier	Lack of shared vision and willingness to collaborate	High investment cost	Uncertainty in profitability	Failure to provide the scale of production	Insufficiency of reverse logistics infrastructure	Inadequate of transport infrastructure
Jia et al.					<b>v</b>																			
Hartley, K. et al.									•		•											•		
Koszewska, M.			•					•		•	•			•								•		
R. Rathinamoorthy		•						•			•						☑							
Majumdar, A. et al.											•							•						
Garcés-Ayerbe et al.																								
Charef, R. et al.		<b>v</b>					<ul><li>✓</li></ul>		<b>v</b>	•	•						☑		•					
Fabian Takacs et al.			•					•	•		•													
Binoy Debnath et al.																<ul> <li>Image: A start of the start of</li></ul>								

### **Research GAP**

Author(s)	Title	Country	Method research
Oliveira et al., 2023	Combining SWOT with AHP for analyzing the adoption of a circular economy in the apparel industry in Brazil	Brazil	AHP method
Tong et al., 2012	An AHP-based water-conservation and waste-reduction indicator system for cleaner production of textile- printing industry in China and technique integration		AHP method
Thinakaran et al., 2023	Analyzing the challenges to circular economy in Indian Fashion Industry	India	MCDM method
Huang et al., 2021	Exploring the decisive barriers to achieve circular economy: Strategies for the Textile Innovation in Taiwan	l laiwan i	FDM method
Snoek, 2017	Circular Economy in the Textile Industry - Transition theory in start-ups in the textile industry	Netherlands	Semi-structured interviews
Zoupalova et al., 2023	Barriers to the circular economy in textile industry: a case study of the Czech Republic	Czech Republic	Purposive sampling method

## Chapter 3: Methodology



### Introduction

### Proposed Method

## Introduction

#### DATA COLLECTION

#### QUANTITATIVE METHOD

Characterized by the results presented in the form of numbers. This kind of study involves comparing and evaluating general criteria.

#### QUALITATIVE METHOD

Expressed in the form of words, such as expert opinions Allows gathering deep insights on topics that are not well known.

(Creswell, J. W., 2009)



Combined numerical and descriptive data to leverage the advantages and address the drawbacks of each kind of data.

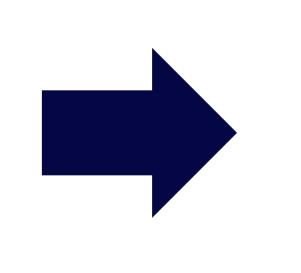


## **Proposed Method**

MULTIPLE CRITERIA DECISION-MAKING

MODM	MADM
<ul> <li>continuous decision</li></ul>	<ul> <li>discrete decision space</li> <li>there are a limited</li></ul>
spaces <li>there are many</li>	number of alternatives
alternatives to choose	to choose from and they
from and they can be	can be described by
measured by numbers.	words or categories.

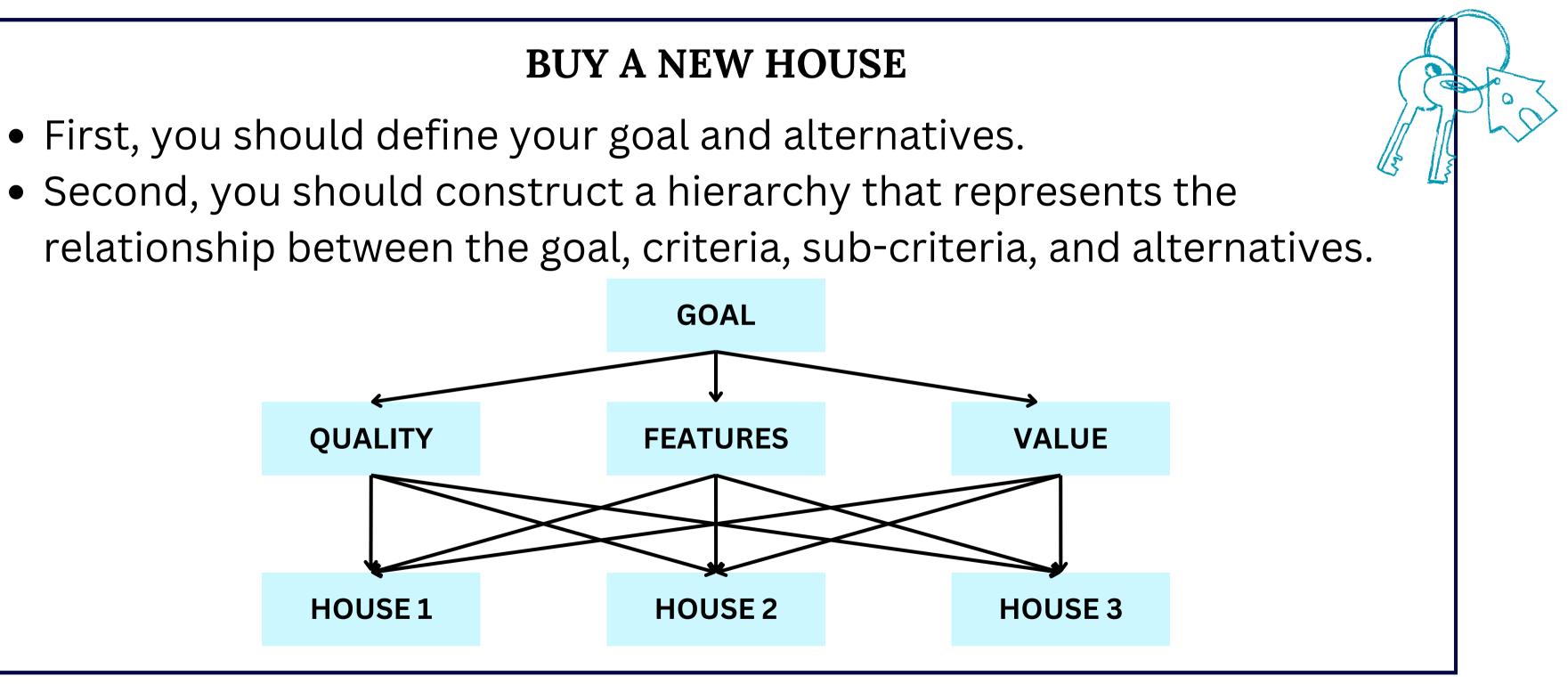
(Velasquez et al., 2013)





- AHP is one of the most basic, popular MCDM methods, helping to organize and analyze complex decision problems, based on mathematics and psychology.
- AHP is a way of comparing different criteria and alternatives based on their importance and preference.
- The AHP method was invented in 1980 by Saaty.

(Saaty, T.L., 1980)



Intensity of importance	Definition
1	Equal importance
3	Weak importance of one over another
5	Essential or strong importance
7	Demonstrated importance
9	Absolute importance
2,4,6,8	Intermediate values

**TABLE 2: Scale of Relative Importance** 

A pairwise comparison matrix is used, which compares the relative importance of each pair of elements using the scale shown in Table 2.

(Saaty, T.L., 1980)



- structure of the decision problem



• Create pairwise comparison matrices. 

 $a_{k1}$ 

• Identify the main goal, criteria, and alternatives

• Construct a hierarchical tree that represents the

$a_{12}$	•••	$a_{1k}$ ]
1	•••	$a_{2k}$
:	•	:
$a_{k2}$	•••	1

(Saaty, T.L., 1980)

• Develop normalized matrices

.



$$C_{ij} = \frac{A_{ij}}{\sum_{i=1}^{n} A_{ij}} \begin{bmatrix} C_1 \\ C_2 \\ \vdots \\ C_n \end{bmatrix}$$

For all j = 1, 2, ..., n.

• Calculate the Consistency Index (CI)

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

11	$C_{12}$	•••	$C_{1n}$ ]
21	$C_{22}$	•••	$C_{2n}$
	:	ъ.	:
n1	$C_{n2}$		$C_{nn}$

-n

#### (Saaty, T.L., 1980)



• Calculate the Consistency Ratio (CR)

Matrix size	Random Consistency Index ( RI)
1	0.00
2	0.00
3	0.58
4	0.90
5	1.12
6	1.24
7	1.32
8	1.41
9	1.45
10	1.49

TABLE 3: The values of Random Index (RI)(Saaty, T.L., 1980)

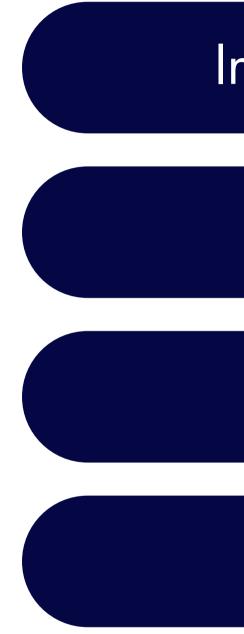
 $CR = rac{CI}{RI}$ 



• Calculate the overall weight of the objective function Function  $1 = F_{11} \times w_1 + F_{12} \times w_2 + \ldots + F_{1u} \times w_u$ Function  $v = F_{v1} \times w_1 + F_{v2} \times w_2 + \ldots + F_{vu} \times w_u$ 

(Saaty, T.L., 1980)

## Chapter 4: EMPIRICAL CASE ANALYST



**BUSINESS ADMINISTRATION** 

### Industrial Experts

### Results

### Findings

### Discussion

**33** Xuan Tri

## List of industrial experts

Expert	Education level	Position in the supply chain	Expert's position	Work experience (years)	Gender
E1	B.Sc	Garment manufacturer	Quality & sustainable development leader	10	Female
E2	MBA	Garment manufacturer	Garment Technology - Account Manager	10	Female
E3	M. Sc	Garment manufacturer	Procurement manager	8	Male
E4	B.Sc	Yarn, Fabric Manufacturer	Production & quality manager	9	Female
E5	MBA	Retailer Yarn, Fabric Manufacturer	General Director	15	Male
<b>E6</b>	B.Sc	Raw Material Supplier	Sustainable Development Manager	10	Male
E7	PhD	Governmental and Policy Maker	Researcher	20	Male



### Questionnaire

										PAIRWISE COMPAR	ISON	IS (MAIN BARRIERS)							
	EXPERT PROFILE	6		6													í	ε	(6)
No.	Questions Answer	ant (9)		tant		int (5)		nt (3)						nt (3)		int (5)		tant	ant (9
1	Name	port		npor	_	porta		Lta			(I)		_	porta	_	importa		upor	port
2	Gender	iy in	(8)	ng ir	(9)	ly im	(4)		5	BARRIER	Equal (1)	BARRIER	(2)	y imp	(4)	V im	. (9)	mg im	iy in
3	Highest educational qualification obtained         * B. Sc, M. Sc, Ph. D, etc	Extreme		'ery stro		Strong		Slightly			-			Slight		Strongly		ery stro	Extreme
4	Areas of expertise *Please explain specifically the position and area of expertise, e.g., Senior manager of the Quality management Department of Garment company A			<b>&gt;</b>														>	
	Do you have experience in the textile industry?									-	✓	Labour							
5	*yes/ no				•					-		Design challenges							
	Very of work experience in the textile and corment inductor											Materials	•						
6	Years of work experience in the textile and garment industry * < 5 years, between 5 years and 10 years, > 10 years									Management and		Rules and regulations	Y						
										decision-making		Knowledge and awareness		~					
	SURVEY ON BARRIERS OF CIRCULAR SUPPLY CHAIN IN VIETNAM'S TEXTILE INDUSTRY						•			-		Integration and collaboration							
Back	pround									-	✓	Economic			•				
			-							-		Technical infrastructure							
	udy aims to identify and rank circular economy barriers for Vietnam's textile industry in the current context. Barriers were identified from existing literature and expert recommendations. The AHP approach, this study ranks each of the factors' pairwise comparisons. From there, deep insights are provided for Vietnamese textile and garment enterprises that transform into																		
	lar economy for sustainable development.											Design challenges							
	i serve as an expert in this study. Your contribution is an indispensable part of completing this research.									-		Materials							
												Materials	•						
Instru	ctions																		
	hink the barrier on the left is more Strongly Important than the barrier on the right, you can tick ( 🖌) in column Strongly Important (5) on the left side. However, if you think that the factor right is more Strongly Important than the factor on the left, you can tick ( 🖌) in column number Strongly Important (5) on the right side.						· · · · · ·			PAIRWISE COMPAR	RISON	NS (SUB-BARRIERS)							
Howe	er, suppose you think that both barriers are of equal importance. In that case, you tick ( 🖌) the middle option, i.e. column Equal (1).	(6)		it (7)		(2)		6						(3)		(2)	Ē.	S	(6)
		rtant		ortan		tant		ant (3)			_			ant (		tant		оцан	rtant
	Interneite of Immertance	odu	(8)	impo	(9)	npor	(4)	import	5	BARRIER	al (1)	BARRIER	(2)	import	(4)	npor	(9)	(8)	. odu
	Intensity of Importance Definition	iely i		rong	Ŭ	gly ir	Ŭ	<b>≩</b>	<u> </u>		Equal		Ŭ	tly in	Ŭ	gly ir	Ŭ	Long	lely i
	1 Equal Importance 3 Moderate Importance	ktrem		ry sti		tron		Sligh						Sligh		Stron		ry st	Extrem
	5 Strong Importance	Ê		۲e		ũ										S	5	very	Ê
	7 Very Strong Importance 9 Extreme Importance	B1. M	anageme	ent and o	decisior	n-making	g			1		1							
	2, 4, 6, 8 Intermediate values									Lack of performance evaluation system		Lack of acceptance CE models	•						
								•		Lack of performance evaluation system		Lack of traceability							
							•			Lack of acceptance CE models		Lack of traceability							
		B2. La	bour																
										Labour intensiveness		Lack of trained							
										Labour miterioiveriess		intermediate staff							

See more on page .. - ... of the Thesis Report

	PAIRWISE COMPARISONS (MAIN BARRIERS)													
	(4)	Slightly important (3)	(2)	BARRIER	Equal (1)	BARRIER	(2)	Slightly important (3)	(4)	Strongly important (5)	(9)	Very strong important (7)	(8)	Extremely important (9)
]					~	Labour								
]						Design challenges								
]						Materials	✓							
]				Management and		Rules and regulations	•							
]				decision-making		Knowledge and awareness		•						
]	•					Integration and collaboration								
]					~	Economic			•					
]		•				Technical infrastructure								
			·											
]						Design challenges								
]						Materials	•							

#### PAIRWISE COMPARISON MATRIX OF MAIN BARRIERS

Main **B1 B2 B3 B4 B5 B6 B7 B8** Normalized **B1 B9 Barriers** 0.905 0.476 0.326 0.076 6.571 3.857 0.243 **B1** 1.286 1.857 **B1** 1 0.778 4.857 0.524 0.362 0.314 3.143 0.205 -0.059 1 1.786 **B2 B2** 0.206 0.217 0.168 0.146 0.350 0.132 0.310 0.152 **B3** 0.012 **B3** 1 0.357 0.248 **B4** 1.105 1.909 4.615 0.512 2.857 3.143 0.084 1 **B4** 4.571 2.763 5.951 0.690 **B5** 2.100 1.953 1 0.929 4.143 **B5** 0.160 6.853 2.800 1.077 3.066 3.182 1 4.714 0.595 3.286 **B6** 0.234 **B6** 0.318 2.857 0.350 0.219 0.212 0.020 **B7** 0.259 0.165 1.214 **B7** 1 4.038 4.884 7.603 **B8** 4.118 1.448 1.680 6.074 4.714 0.314 1 **B8** 0.560 3.231 0.318 0.241 0.304 0.824 0.041 **B9** 0.538 0.212 **B9** 1 Column Column **13.116** 16.108 43.540 12.105 5.503 5.269 27.391 3.489 21.452 1 Sum Sum

CELL 13.116 CELL/SUM BY COLUMN

#### NORMALIZED PAIR-WISE MATRIX OF MAIN BARRIERS

B2	B3	B4	B5	B6	B7	B8	B9
0.080	0.151	0.075	0.087	0.062	0.141	0.070	0.087
0.062	0.112	0.043	0.066	0.060	0.115	0.059	0.083
0.013	0.023	0.018	0.031	0.028	0.013	0.038	0.014
0.119	0.106	0.083	0.093	0.068	0.104	0.071	0.147
0.172	0.137	0.161	0.182	0.176	0.167	0.198	0.193
0.198	0.157	0.231	0.196	0.190	0.172	0.171	0.153
0.020	0.066	0.029	0.040	0.040	0.037	0.047	0.057
0.303	0.175	0.334	0.263	0.319	0.222	0.287	0.220
0.035	0.074	0.026	0.044	0.058	0.030	0.061	0.047
1	1	1	1	1	1	1	1

#### NORMALIZED PAIR-WISE MATRIX OF MAIN BARRIERS

Normalized	B1	B2	В3	B4	В5	В6	B7	B8	B9	Barriers Weights
B1	0.076	0.080	0.151	0.075	0.087	0.062	0.141	0.070	0.087	0.0919
B2	0.059	0.062	0.112	0.043	0.066	0.060	0.115	0.059	0.083	0.0731
B3	0.012	0.013	0.023	0.018	0.031	0.028	0.013	0.038	0.014	0.0209
B4	0.084	0.119	0.106	0.083	0.093	0.068	0.104	0.071	0.147	0.0971
B5	0.160	0.172	0.137	0.161	0.182	0.176	0.167	0.198	0.193	0.1717
B6	0.234	0.198	0.157	0.231	0.196	0.190	0.172	0.171	0.153	0.1890
B7	0.020	0.020	0.066	0.029	0.040	0.040	0.037	0.047	0.057	0.0394
B8	0.314	0.303	0.175	0.334	0.263	0.319	0.222	0.287	0.220	0.2706
B9	0.041	0.035	0.074	0.026	0.044	0.058	0.030	0.061	0.047	0.0462
Column Sum	1	1	1	1	1	1	1	1	1	1

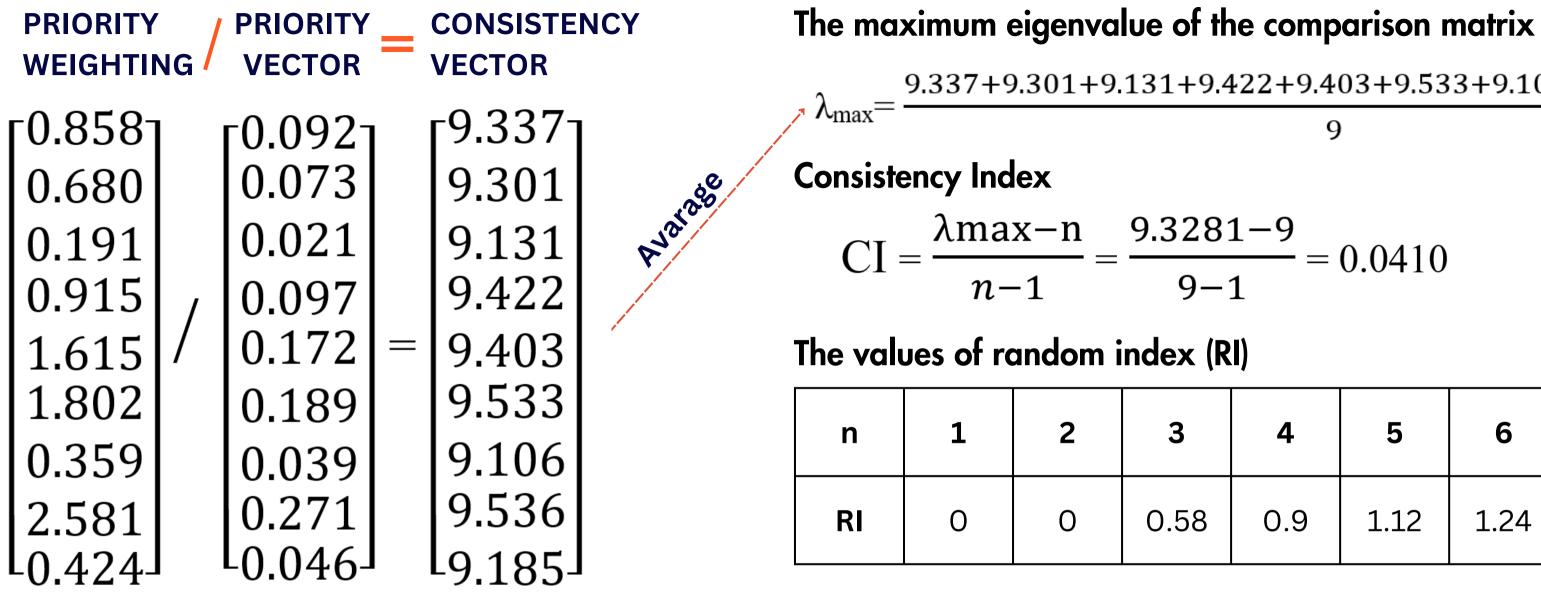
#### 0.076+0.080+0.151+0.075+0.087+0.062+0.141+0.070+0.087

9

B8. ECONOMIC	1
<b>B6. KNOWLEDGE AND AWARENESS</b>	2
<b>B5. RULES AND REGULATIONS</b>	3
B4. MATERIAL	4
<b>B1. MANAGEMENT AND DECISION-MAKING</b>	5
B2. LABOUR	6
<b>B9. TECHNICAL INFRASTRUCTURE</b>	7
<b>B7. INTEGRATION AND COLLABORATION</b>	8
B3. DESIGN CHALLENGES	9

APPLY CONSISTENCY TEST

	F	PAIRWISE	COMPARIS	SON MATR	IX OF MAI	N BARRIE	RS	>	VECTOR	PRIORITY WEIGHTING
г 1	1.286	6.571	0.905	0.476	0.326	3.857	0.243	ן1.857	ך0.092	ן0.858
0.778	1	4.857	0.524	0.362	0.314	3.143	0.205	1.786	0.073	0.680
0.152	0.206	1	0.217	0.168	0.146	0.350	0.132	0.310	0.021	0.191
1.105	1.909	4.615	1	0.512	0.357	2.857	0.248	3.143	0.097	0.915
2.100	2.763	5.951	1.953	1	0.929	4.571	0.690	4.143	x 0.172	= 1.615
3.066	3.182	6.853	2.800	1.077	1	4.714	0.595	3.286	0.189	1.802
0.259	0.318	2.857	0.350	0.219	0.212	1	0.165	1.214	0.039	0.359
4.118	4.884	7.603	4.038	1.448	1.680	6.074	1	4.714	0.271	2.581
L0.538	0.560	3.231	0.318	0.241	0.304	0.824	0.212	1 J	L0.046J	L0.424J



APPLY CONSISTENCY TEST

**Consistency Ratio** 

 $CR = \frac{CI}{RI} = \frac{0.041}{1.45} = 0.0283 < 0.1$ 

The pairwise comparison matrix is consistent, and the results are satisfactory.

9.337+9.301+9.131+9.422+9.403+9.533+9.106+9.536+9.185 = 9.32819

$$\frac{281-9}{9-1} = 0.0410$$

	1	5	6	7	8	9
0	.9	1.12	1.24	1.32	1.41	1.45

PAIRWISE COMPARISONS OF MAIN BARRIERS

	WEIGH
B8. ECONOMIC	0.27
<b>B6. KNOWLEDGE AND AWARENESS</b>	0.18
<b>B5. RULES AND REGULATIONS</b>	0.17
B4. MATERIAL	0.09
<b>B1. MANAGEMENT AND DECISION-MAKING</b>	0.09
B2. LABOUR	0.07
<b>B9. TECHNICAL INFRASTRUCTURE</b>	0.04
<b>B7. INTEGRATION AND COLLABORATION</b>	0.03
<b>B3. DESIGN CHALLENGES</b>	0.02
CONSISTENCY RATIO (CR)	) = 0.0283

/EIGHTS	RANKING
0.2706	1
0.1890	2
0.1717	3
0.0971	4
0.0919	5
0.0731	6
0.0462	7
0.0394	8
0.0209	9
)283	

**PAIRWISE COMPARISONS OF SUB-BARRIERS** 

**B1. MANAGEMENT AND DECISION-MAKING** 

B12. LACK OF ACCEPTANCE OF CE MODELS

**B11. LACK OF PERFORMANCE EVALUATION SYSTEM** 

**B13. LACK OF TRACEABILITY** 

**B2. LABOUR** 

**B21. LABOUR INTENSIVENESS** 

**B22. LACK OF TRAINED INTERMEDIATE STAFF** 

WEIGHTS	RANKING
0.566	1
0.311	2
0.123	3

#### *CONSISTENCY RATIO (CR) = 0.0043*

WEIGHTS	RANKING
0.702	1
0.298	2

#### CONSISTENCY RATIO (CR) = 0

**PAIRWISE COMPARISONS OF SUB-BARRIERS** 

#### **B3. DESIGN CHALLENGES**

#### **B31. LACK OF COMPLEMENTARY PROCESSES**

**B32. COMPLEXITY IN PRODUCT ARCHITECTURE** 

CO

**B4. MATERIAL** 

**B44. HIGH COST OF RAW MATERIALS** 

**B41. AVAILABILITY OF RECYCLABLE MATERIALS** 

**B43. COMPLEXITY IN MATERIAL COMPOSITION** 

B42. LACK OF HIGH QUALITY

WEIGHTS	RANKING			
0.682	1			
0.318	2			
DNSISTENCY R	RATIO (CR) = <mark>0</mark>			
WEIGHTS	RANKING			
0.480	1			
0.273	2			
0.165	3			
0.082	4			

#### CONSISTENCY RATIO (CR) = 0.0108

**PAIRWISE COMPARISONS OF SUB-BARRIERS** 

**B5. RULES AND REGULATIONS** 

**B51. LACK OF SECTORIAL STANDARDIZATION** 

**B52. LACK OF CERTIFICATIONS** 

CO

**B6. KNOWLEDGE & AWARENESS** 

**B61. LACK OF CE AWARENESS** 

**B63. LACK OF TECHNICAL KNOW-HOW** 

**B62. LACK OF THEORETICAL INFORMATION** 

WEIGHTS	RANKING		
0.682	1		
0.318	2		
ONSISTENCY R	RATIO (CR) = <mark>0</mark>		
WEIGHTS	RANKING		
0.564	1		
0.564 0.297	1 2		
	_		

#### *CONSISTENCY RATIO (CR) = 0.0003*

**PAIRWISE COMPARISONS OF SUB-BARRIERS** 

**B7. INTEGRATION & COLLABORATION** 

**B72. LACK OF CONSTANT SUPPLIER** 

**B73. LACK OF SHARED VISION AND WILLINGNESS TO COLLABO** 

**B71. LACK OF SHARING INFORMATION AND COMMUNICATION** 

	WEIGHTS	RANKING
ORATE	0.657	1
	0.219	2
	0.124	3

#### *CONSISTENCY RATIO (CR) = 0.0134*

**PAIRWISE COMPARISONS OF SUB-BARRIERS** 

**B8. ECONOMIC** 

**B81. HIGH INVESTMENT COST** 

**B82. UNCERTAINTY IN PROFITABILITY** 

**B83. FAILURE TO PROVIDE THE SCALE OF PRODUCTION** 

CONSISTENCY RATIO (CR) = 0.0061

**B9. TECHNICAL INFRASTRUCTURE** 

**B91. INADEQUATE OF INFRASTRUCTURE FACILITIES** 

**B92. LACK OF HIGH-TECH IN REVERSE LOGISTICS** 

WEIGHTS	RANKING
0.610	1
0.259	2
0.131	3

WEIGHTS	RANKING
0.632	1
0.368	2

CONSISTENCY RATIO (CR) = 0

# Findings

The study points out that the five barriers with the highest importance values are listed respectively as:

- High investment cost (B81)
- Lack of sectorial standardization (B51)
- Lack of CE awareness (B61)
- Uncertainty in profitability (B82)
- Lack of technical know-how (B63)

These are responsible for non-implementation of CE practices in the Vietnamese textile industry.

#### MAIN BARRIERS' LOCAL WEIGHTS

						<b>I</b>	
Barriers	Weights Concept	Rank Concept	Sub-barriers	Weights Local	Rank Local	Weights Global	Rank Global
B1 0.092		5	B11	0.311	2	0.029	12
	0.092		B12	0.566	1	0.052	7
			B13	0.123	3	0.011	20
B2 0.073	0.072	6	B21	0.702	1	0.051	8
	0.073		B22	0.298	2	0.022	16
B3 0.0	0.021	0	B31	0.682	1	0.014	19
	0.021	9	B32	0.318	2	0.007	23
			B41	0.273	2	0.027	13
D4	0.007		B42	0.082	4	0.008	22
B4 0.097	0.097	4	B43	0.165	3	0.016	18
			B44	0.480	1	0.047	9
D <b>5</b>	0.172	3	B51	0.682	1	0.117	2
B5	0.172		B52	0.318	2	0.055	6
		2	B61	0.564	1	0.107	3
B6 0.189	0.189		B62	0.139	3	0.026	14
			B63	0.297	2	0.056	5
B7 0.039		B71	0.124	3	0.005	24	
	0.039	8	B72	0.657	1	0.026	15
			B73	0.219	2	0.009	21
<b>B8</b>	0.271	1	<b>B81</b>	0.610	1	0.165	1
			B82	0.259	2	0.070	4
			B83	0.131	3	0.036	10
<b>B</b> 9	0.046	7	B91	0.632	1	0.029	11
D7			B92	0.368	2	0.017	17

Weighting and Ranking Results of AHP



SUB-BARRIERS' LOCAL WEIGHTS



SUB-BARRIERS' GOLBAL WEIGHTS

#### HIGH INVESTMENT COST

High investment costs appear as the most pressing barrier in implementing the CE process.

(Hart et al., 2019; Masi et al., 2018; Kumar et al., 2019)

Implementing and managing the circular economy required high investment in technology adoption and training of human resources

(Pathak and Endayilalu, 2019)

### LACK OF SECTORIAL STANDARDIZATION

The need for metrics and standards for recycled products and production standardization also creates a substantial barrier regarding material efficiency.

The absence of refurbishment and recycling guidelines and standards results in mixed product quality in the study.

(Hart et al., 2019)

(Vermunt et al., 2019)

#### LACK OF CE AWARENESS

The lack of awareness and sense of urgency are still acting as important barriers that impede the adoption of sustainable practices.

Playing a significant role in CE implementation in the textile industry. The need for more awareness of industry practitioners is a concern in reducing the negative environmental impact of the industry's supply side.

(Masi et al., 2018)

(Saha et al., 2021)

#### **UNCERTAINTY IN PROFITABILITY**

It is cumbersome to identify and measure the long-range effects of the benefits of the CE by manufacturers, collectors, and recyclers

CE helps companies to save money and enhance their profitability.

(Kazancoglu et al., 2020)

(Kumar et al., 2019)

#### LACK OF TECHNICAL KNOW-HOW

A lack of technical and technological know-how could hinder SMEs from transforming their linear business model into a circular one.

An important barrier is the lack of academic and feasible information about the Circular Economy principles.

The lack of awareness regarding implementing CE, especially about the benefits of the CE for companies, is the biggest barrier for companies to invest and implement the CE.

#### (Rizos et al., 2016)

Snoek (2017), Muradin and Foltynowicz (2019)

(Rodríguez, 2017)

### Chapter 5: CONCLUSIONS AND IMPLICATIONS



### Implication

Contribution

### Limitations and Futher research

## Implication

HIGH INVESTMENT COST (B8.1) AND UNCERTAINTY IN PROFITABILITY (B8.2)



Prepare step by step to transition to a circular economy model, share information, willingness to collaborate, calling for major investment support



Government intervention can reduce the high investment costs of a circular business model by providing financial support



Ensuring the continuity of consumer demand for circular economy productson to a circular economy model

(Recommend from Experts)

(Kirchherr et al., 2018)

### Implication

LACK OF SECTORIAL STANDARDIZATION (B5.1)

- Proposing policies to deploy standardization groups: production and standard groups, sustainable use, group of standards on reuse, recycling, remanufacturing in industry and agriculture,...
  - Governments and policy makers need to be proactive in establishing and maintaining the most common and necessary standards: reusability and recovery, extraction of components for further details, reuse, repair, recycling,...

(Phuong. N.K.L., 2020)

(Recommend from Experts)

### Implication

### LACK OF TECHNICAL KNOW-HOW (B6.3) AND LACK OF CE AWARENESS (B6.1)

Allocate the necessary financial resources for investing in technical know-how company's senior leaders. (Recommend from Experts) The company's human resources need in-depth training and know-how when applying

The company's human resources need in-depth trai technology to all circular economy activities

Government support: technology transfer to eliminate the lack of technical information to implement Circular economy *(Recommend from Experts)* 



Encourage reinforcement for public campaigns, seminars, or conferences in cooperation with academia, enhance the trust of the stakeholders towards circular transition, and increase the awareness

### Contribution

#### **PRACTICAL CONTRIBUTION**

### **THEORITICAL CONTRIBUTION**

Become an academic research document in the future. Future research articles can rely on research this article as а foundation research to solutions to these barriers.

The research's insights promote the circular economy model to be applied more commonly in the garment industry in Vietnam



Valuable practical contributions for identify barriers and helps businesses come up with strategies to anticipate those obstacles.



Provides constructive recommendations to present the policy and management implications, along with recommendations, are provided to the government, industry, and stakeholders

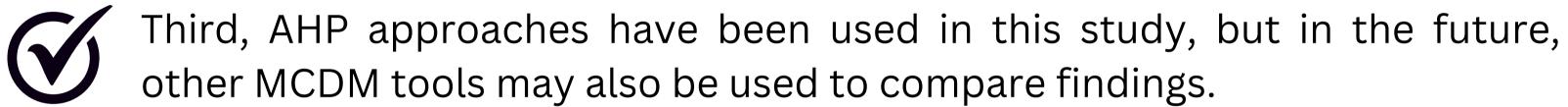
## Limitations

the literature review Firstly, has To conduct future research regarding other barriers, such some these barriers in the textile industry. as organizational, cultural, and customer interest.

The data can be collected from more Second, this study is based on inputs industrial experts who work in different from a limited number of experts links in the textile supply chain to generalize the study results.

## **Futher Research**

# **Limitations and Futher Research**



Fourth, it is generally challenging for decision-makers to quantify their evaluations because the study have a lot of barriers.

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# Thank You So Much!

#### **BUSINESS ADMINISTRATION**