



High quality human resource development approach of Vietnamese enterprises

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Abstract

This report provides multi-dimensional impact of the fourth industrial revolution (industrial revolution 4.0) that has been rapidly changing labor market structure. This will put great pressure on the labor market. Developing countries like Vietnam will face surplus labor and rising unemployment rates; opportunities and challenges for businesses when trade agreements are signed. Approaching the opportunities of the Comprehensive Partnership and Transpacific Progressive Partnership (CPTPP), the rational investment of enterprises for managerial personnel training is needed, because the integration requires managers to have a strategic vision. New solutions to improve the quality of human resources should be in place to take advantage of CP-TPP opportunities by Vietnamese enterprises.

Keywords: high quality human resources, CPTPP, opportunities, approach of enterprise, Vietnam

1. Introduction

We always know that training and developing a high-skilled professional workforce to improve the efficiency of human resource use is a process of promoting knowledge and development of new skills and quality of labor, promoting creativity of scientific and technical achievements, new technology, ensuring positive movement of different industries and fields. We are living in an age where intellectual level is the determining factor of the nation's strength and position. Therefore, prioritizing the development of human factors, especially investment in training high-quality human resources not only meets domestic demand but also owns and affirms its position in the international arena in the continually advancing world economic integration process. Technical and professional labor training is an activity that provides new knowledge, skills and qualities for employees; the combination and interaction of these factors constitutes the technical competence of workers to undertake certain tasks. (Pham Minh Hac, 2001) [4]

Currently, the scale of trained workers is small, the quality of training is still inadequate, so the use of human resources is still ineffective, affecting deeply and deeply Vietnam's economy. In fact, Vietnam's Party and State have been attaching great importance to the high quality human resources, taking the issue of training and building it as the top policy in the national strategy, especially facing the advancement of integration process today. This is clearly defined through each guideline of the national development policy. The platform for national construction in the transitional period and the Party's socio-economic development strategy has indicated that people are the most important resource, the source of all resources, deciding the prosperity of country. The 9th Party Congress has set the orientation for the development of Vietnam's human resources as follow: "The employees have high intelligence, skilled skills, good qualities, trained and developed by an advanced education associated with a modern science and technology" (IXth Party Congress, 2001).

So, according to the objective and subjective trends of the current development, especially under the direction of Vietnamese Party and the State, more than any other resources, human resources, especially high-quality human resources must always occupies a central position and plays an important role in socio-economic development of the country, especially in the current period of accelerating global cooperation and international integration.

2. Theoretical framework

High quality human resource

Currently, there are many concepts of high quality human resources. In Vietnam, for the first time the term high quality human resources appeared in the document of the Xth Party Congress that affirmed rapid development of high quality human resources, especially leading experts. In Vietnam human resource development strategy, there are new points in which focus is placed on developing high-quality human resources as a breakthrough in order to soon get country out of the underdevelopment and at the same time creating rapid development, meeting the requirements of the international integration process.

High quality human resources are conceived by Dr. Nguyen Huu Dung in his work entitled "Developing high quality human resources in the cause of national industrialization and modernization and international economic integration", refer to a person, a specific worker with a skillful level (professional, technical) to a specific profession according to the criteria of professional and technical labor classification on skilled workers (Nguyen Huu Dung, 2002) [2].

According to Dr. Bui Thi Ngoc Lan, high quality human resource is the most quintessential part of human resources. This workforce has a high level of education and technical expertise, good labor skills and is able to adapt quickly to rapid changes of production technology, good quality and ability to apply created knowledge and skills that have been trained in the production process to bring about high productivity, quality and efficiency "(Bui Thi Ngoc Lan,

2002).

Vietnamese Party intellectuals have affirmed that in every age, knowledge is always the foundation of social progress, intellectuals are the core force of creating and spreading knowledge to expand national cooperation, bilateral and multilateral activities, especially with international organizations and institutions operating in Vietnam, to expand cooperation with scientific and technological organizations in the region and the world, to share experiences, exchange information, attract resources and create favorable conditions for domestic intellectuals to exchange in the field of science and research with the world in appropriate forms (Vietnamese Communist Party, 2006).

The role of high quality human resource

According to Nguyen Thi Tuyet Mai (2016), in the trend of globalization and international integration, when the economy is mainly based on knowledge, human resources, especially high-quality human resources increasingly play a decisive role in the game, Vietnam is in the period of accelerating industrialization, modernization and international integration, the role of high quality human resources is more clearly expressed as follow:

First, high-quality human resources are the main resource that determines the process of socio-economic growth and development. People are at the center of the development strategy and at the same time the subject of development. Considering the production process, people are not only a constituent element, but also a determinant of the exploitation, use, protection and regeneration of other resources.

Secondly, high quality human resources are one of the factors that determine the success of the industrialization and modernization of the nation. Industrialization and modernization in Vietnam is a fundamental and comprehensive transformation of the economy from relying on agriculture and handicrafts to major industrial machines.

Thirdly, high quality human resources is the decisive factor to promote the development and application of science and technology, restructuring the economy, transforming the growth model and the most important competitive advantage, ensuring fast, efficient and sustainable development.

Fourthly, high quality human resources are conditions for international economic integration. Economic globalization continues to grow in size, extent and form of expression with positive and negative impacts, complex opportunities and challenges.

Development of high quality human resource

In order to successfully implement the process of promoting industrialization and modernization associated with knowledge economy and international integration, Vietnamese Party advocates special importance to improve the quality of human resources. At the Xth National Congress (2006) ^[1], Vietnamese Party proposed the policy of comprehensively renovating education and training, developing high quality human resources and reviving national education system.

According to Nguyen Thi Tuyet Mai (2016), at the XI Congress, Vietnamese Party has determined that the development of high quality human resources is one of three strategic breakthroughs to successfully implement the objectives of the construction platform of the country in the

transition period to new socialism and the socio-economic development strategy for the period 2011-2020. Solutions to develop high quality human resources in Vietnam can be accessed at many following angles:

Firstly, it must be clearly defined that human resources are Vietnam's most valuable resource in the development of the country.

Secondly, conducting regular surveys on human resources and quality of human resources in all branches, levels, localities and the whole country; ensuring the balance of supply and demand of human resources for socio-economic development in the whole country and in each branch and each level.

Third, improve the efficiency of planning, management and use of high quality human resources. In order to promote the positive and creative labor activities of high quality human resources, it is necessary to do well the planning, management and use in a scientific, democratic and proper manner.

Fourthly, fundamental and comprehensive innovation of education and training to improve the quality of human resources, especially high-quality human resources to meet the requirements of science and technology application and innovation based model of growth, restructuring the economy, promoting industrialization and modernization of the country.

Fifth, along with the importance of developing high quality human resources, it is necessary to put a close connection with the development and application of science and technology. These are the two pillars and the new driving force for the national development. Along with education and training, science and technology must also truly be at the top of national policy, the most important driving force for the country's development.

Sixthly, developing high quality human resources must be in line with specific conditions of ministries, branches and localities; closely linked with international cooperation and integration requirements. It is necessary to establish a process of detecting, searching, closely evaluating and recruiting public resources suitable to each place and specific requirements.

2. Research methodology

The article is based on a combination of analytical and synthetic methods. Collecting and processing information, including some information extracted from books, essays, a number of journal articles and websites related to the topic has been studied. The methods of analysis and synthesis are based on analyzing past data from published information documents, reports and industry development orientations to show the trend of movement and development of research subjects assist. The statistical and comparative methods are based on statistics of data collected in specific areas of each enterprise, comparing performance of some enterprises in the same field of activity. In addition, the article is using logical thinking method. Based on the actual data, we are assessing the level of business performance of businesses, the strengths need to be promoted as well as the competitiveness of enterprises in the process of association import, serve as a basis to map out solutions to improve operational efficiency. The method of dialectical and historical materialism are also applied using past data as a basis for making assessments, we are assessing the current operation and situation of enterprises.

3. Research results

According to Pham Chi Lan (2012), there are some challenges and advantages for businesses about TPP-related negotiations

There are 5 challenges for Vietnam on labor issues when joining TPP

The first is the approach to labor issues of TPP countries, countries with more developed levels than Vietnam, very different and very new to Vietnam. This problem is not new to other countries in the TPP because they have had a series of earlier agreements, even for developing countries like Peru, which has an FTA with the United States, so this problem is not new for them. But for Vietnam it is new and different. The identification of the main gaps, the differences between them and us is the first challenge

Secondly, in relation to the first challenge, it is our thinking, institutions and habits in labor issues that are far different from other countries. In terms of institutions, we have quite good institutions of labor, our labor law can be said to be quite radical, ILO also acknowledged that Vietnam's labor laws are quite advanced compared to other countries.. Vietnam has strongly accepted to participate in a series of ILO conventions quite early, while other countries still hesitate. The biggest weakness in our labor institution is the implementation and that also needs to be changed a lot.

Thirdly, in such circumstances, our ability to meet TPP's conditions for labor is difficult. Even if we accept the agreement, then boldly sign and join TPP, the implementation mechanism will be very difficult later. Because changing old habits to make new things good is hard.

Fourth, our difficulty is still in the question of who benefits and who will be damaged in these new labor commitments? Obviously, employee benefits increase if we join and accept these commitments of TPP. They include in the chapter that labor has the right to association and the right to collective bargaining. If this right is fully guaranteed, then the employees will certainly benefit.

In terms of businesses or employers in general, it is both beneficial and costly to participate in these commitments. There will be more pressure on businesses to comply with at least the provisions of our labor law, not to mention higher conditions. Full compliance can create additional costs for businesses.

The fifth is the pressure on exports and imports. Later, it is possible that the lawsuits against Vietnam will increase, not just the anti-dumping issues, but the workers' benefits, the necessary working conditions for workers, and they can become new barriers. Especially if looking at TPP members, Vietnam obviously has an advantage over other countries in cheap labor, but because of that cheap labor factor and many of our export industries are the sectors that use more workers, we are more prone to these areas, about labor commitments. That puts the pressure for us to export. As for the import, directions, rules, such as border blocking for products that violate labor issues, are not easy for us to implement. Especially, we are beside a huge competitive partner, China that often violates the labor standards. How can we be able to block their goods for that reason? That is technically not easy.

There are also very basic advantages included in labor commitments regarding TPP.

The first is that it fits with the wishes of our workers. Workers obviously do not want to be over-pressured in poor working conditions, or paid unworthy of their labor.

The second is our laws, policies and general guidelines on issues. Basic labor issues are available, including Party resolutions. We have the basis to be able to firmly believe and accept higher conditions, to overcome ourselves and do better.

The third is the country's development practice, with the clear needs and advantages of human resources in economic and social development. The Resolution of the 11th Congress as well as related studies clearly shows that the ability to use competitive advantage by cheap labor in our country will no longer exist.

Fourthly, we have participated in many international conventions on labor and CSR (corporate social responsibility) has been accepted and implemented by many businesses.

Fifth, we have allies, both in the country as well as outside. When participating in international integration, there is often a concern that domestic barriers due to poor consensus or conflict of interest may be greater than external barriers, and thereby create additional barriers ^[14].

Opportunities and challenges for Vietnamese labor market

According to the General Statistics Office, Vietnam's labor force aged 15 and over by 1.1.2016 was 54.61 million people; male accounted for 51.7%; women make up 48.3%. The labor force in the working age is estimated to have 48.19 million people. Workers aged 15 and over working in economic sectors are estimated at 52.9 million. Vietnam is in the golden age and every year more than 1 million people participate in the labor market. The source of young and abundant labor has opened up many opportunities for Vietnam, but having nearly 80% of the labor force who has not received training or qualifications is preventing Vietnam from effectively exploiting this opportunity. Meanwhile, the advantages and content of cheap labor costs are decreasing along with the development of science and technology, market competition pressure and the need to increase wages and improve the quality of life of workers. Participation in FTAs, especially TPP, will have a strong impact on all economic activities, businesses and labor issues.

First of all, Vietnamese workers have the opportunity to relocate and improve their incomes in other AEC member countries and FTAs as prescribed. At the same time, Vietnam is also under pressure of employment due to labor migration from these countries right on home ground. Businesses have the opportunity to attract high manpower from other countries, but also be under pressure from headhunting activities of regional and world human and large corporations. The member countries' FTAs, especially the TPP, must enforce basic principles and rights at work, as well as to exercise the rights of workers, civil society organizations, and labor standards, freedom of association-union, especially in terms of minimum conditions relating to occupational safety and health, minimum wage, time of work and rest, etc.... according to the 1998 statement of the

Organization International labor (ILO - which Vietnam is a member), will help improve working conditions, reproduce Labor power and improve the quality of human resources. Workers will have the opportunity to improve their legal rights in terms of minimum income, working environment and living environment, as well as associations and unions, including seeking new employment opportunities domestic or in TPP member countries.

The challenge for Vietnamese workers is not small, especially in improving the level of foreign language skills, high skills and knowledge, knowledge and cultural behavior in highly international environments; spirit of association and competition associated with specific labor groups (including informal workers) and different social interests. In addition, high competitive pressure may increase unemployment due to the reduction of labor, especially unskilled labor, to save costs, improve labor productivity through technical innovation and governance, as well as enterprises with low competitiveness will be forced for bankruptcy. Disputes between workers and employers of private and foreign employers may also increase in connection with the consequences of bankruptcy, economic restructuring or breach of conditions of labor contracts and working conditions.

Competitive pressures to improve minimum requirements for occupational safety, wages, working hours, labor hygiene, the prohibition of child labor, and the monitoring mechanism and sanctions imposed in FTAs, especially TPP will create many challenges in terms of cost and development of corporate culture, especially when participating into regional and international export supply chains. The trend of labor transfer among member countries has created new opportunities for employment, and increased the pressure on education and training sector and improved itself to seek and keep employment opportunities, especially young workers. Developing an organized and high quality labor market is and will become more and more pressing and effective tool to support and develop high quality human resources in particular, Vietnam labor force in general in that context.

However, above all, it is still a great expectation that joining and implementing the TPP will help Vietnam's labor market and its members to be more open, international and healthy, contributing to promoting development. economic, supporting higher-paying jobs, improving creativity, productivity, competitiveness, increasing living standards, reducing poverty, improving transparency in operations, environmental protection and people labor, creating jobs, promoting sustainable growth, promoting innovation and benefiting people throughout the Asia Pacific region ^[15].

4. Research results discussion

From the research results of Section 4, the challenges and advantages for enterprises have been raised. Here are the some of the recommendations:

Firstly, it needs to be widely disseminated to relevant agencies of the Party, State, trade unions, business associations, associations to use workers in different industries and occupations. We are talking about businesses, in the broad sense of WTO, education, health, entertainment, especially in the service sector, we have a large team of people working in these industries, so both public and private sectors are expanding rapidly.

Second, it is necessary to train a team of consultants, to help solve labor problems. Vietnam is often weak and lacks of lawyers or experts in different fields, so it is often embarrassing to encounter legal issues or problems.

The third is to revise the relevant laws and regulations, and to do so with a proactive spirit, rather than waiting for the commitment to be finalized.

Fourthly, it is necessary to strengthen enforcement capacity, especially the implementation of the labor law and related regulations. It is necessary to attach importance to implementation capacity, monitoring capacity, assessment of the implementation process, and enhance the voice of workers and employers in this field.

Fifth is about communication, it is necessary to expand the knowledge and capacity of the media, so that they can help spread the knowledge to society, mobilize the support of society, and help TPP partners understand right about the labor situation in our country. Equipping knowledge, providing sufficient and objective information will help the press understand the nature of the problem and the content of the work so that they can promote their strengths and better coordinate in this field.

Finally, it is necessary to support negotiations, support the negotiating delegation. The most practical way of advocacy is to try to understand the issues, actively participate in consultation activities, provide information to the negotiating team, to relevant state agencies, participate in policy advocacy and mobilize related partners to create the best framework or ideas for negotiation and commitment for themselves. On the other hand need to be in a ready position, actively prepare to accept higher conditions, new challenges, and change yourself to adapt and meet new standards.

5. Conclusion and recommendation

In any development stage of the country, the role of human resources is always important. With the widest vision, especially in the current integration trend, its decisive role is increasingly being proved. It is often said that accompanying opportunities is always a challenge, which is even more truly in Vietnam's international integration process. And the core part is to bring a competitive advantage, affirming that the Vietnamese brand in the international arena is the high quality human resource. The contribution of this is reflected in the achievements we have made during the integration process. Therefore, improving the development of high quality resources is not only an urgent issue but also an objective reality. Currently, it is proactive international integration. The Party and the State have gradually created initial premises for investment in developing this resource. As for us, now actively learning to practice self-fulfillment is contributing to building a new image of Vietnam's human resources in the future. In the long term, the most important thing is the need to raise the awareness that developing high human resources is not simply treated as career training, but also a foundation to solve poverty and narrow the gap between the rich and the poor, political and social stability in the country. CPTPP is expected to give Vietnamese businesses a lot of opportunities. But to master them in this game, the only way is that enterprises must actively integrate, while the State must remove administrative problems to help them do business smoothly ^[16].

Recommendations for Vietnamese businesses

In order to take advantage of the benefits and overcome the above mentioned difficulties, Vietnamese enterprises should pay attention to some solutions. First of all, we need to actively explore information about CPTPP to understand Vietnam's commitment and interested partner markets, especially information on tariff concessions under this agreement for our products. There are strong points or potential for export in the coming time.

Enterprises need to have a broad view of the agreement, not only understanding information about the sector directly related to their production and business activities.

Besides, businesses also need to change business thinking in a new context, taking pressure on competition as a driving force for innovation and development.

TPP and now CPTPP will undoubtedly bring opportunities for businesses to proactively respond to changes in the business environment brought about by international economic integration through the development and adjustment of business plans for medium and long-term period to promote the flow of goods into the potential partner markets mentioned above.

Finally, businesses should also actively seek directions to cooperate with the above-mentioned partner markets to strongly attract direct investment into Vietnam in order to make full use of capital and technology transfer from foreign corporations.

At the same time, this is right moment and also a good opportunity for Vietnamese enterprises to participate more deeply in regional and global supply chains^[17].

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