Examining the extent to which HRM practices of multinational and domestic enterprises in Vietnam demonstrate the Resource Based View of the firm: Evidence from a qualitative study

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ABSTRACT: This paper examines the extent to which HRM practices of multinational and domestic enterprises in Vietnam can be understood from the perspective of the Resource Based View (RBV). The analysis is based on in-depth interviews with two multinational enterprises and three domestic companies. The findings represent an analysis of five selected interviews from a total of 15 conducted. The findings reveal that domestic enterprises appear less inclined than multinational enterprises (MNEs) to adopt a RBV approach to HRM as evidenced by their recruitment and selection, and training and development practices. MNEs focus on employee capabilities more than domestic enterprises. The study suggests important implications for government, universities and enterprises in respect to considering how and where they invest in education and approaches to recruitment and training to maximise talent.

Keywords: recruitment & selection, training & development, HRM policies, ownership types, RBV, Vietnam

INTRODUCTION

Effective and efficient human resource management (HRM) is vitally important to any firm wishing to strengthen its competitiveness by leveraging employee capability to optimise productivity (Kydd & Oppenheim, 1990; Poloski Vokic & Vidovic, 2008). Accordingly, many enterprises have invested substantially in HRM in terms of recruitment and selection, training and development, performance management, and reward system development (Michie & Sheehan, 1999; Ling & Nasurdin, 2010; Muñoz Castellanos & Salinero Martín, 2011). In developing and transitional nations, in which a centrally planned economy evolves into a free market (Feige, 1994; Fforde & De Vylder, 1996), the development of HRM practices may be less emphasized by local firms relative to multinational enterprises (Zhu, Collins, Webber & Benson, 2008; Bartram, Stanton & Thomas, 2009; Kamoche, 2001). In Vietnam, a developing and transitional nation, sophisticated HRM practices are less likely to be found as there are lower levels of essential HRM knowledge and skills, especially within domestic enterprises (Quang, Heijden & Rowley, 2010). There is also a focus on administration and Personnel
Manager roles (‘Truong phong hanh chanh va nhan su’) instead of strategic HRM functions (Quang et al., 2010). This means that personnel managers are often only involved in administrative work while rarely being involved in major decision-making regarding HR planning, recruitment and selection, training and development, and employee retention and compensation that add to workforce capability and staff employability (Heijde and Van der Heijden, 2006; Quang et al., 2010). In developing countries there is need for more analysis of the influence of multinational versus domestic enterprises ownership type on organisational HRM practices, such as the ability to attract and retain employees.

There is some existing evidence (Thang & Quang, 2005b; Vo & Stanton, 2011; Pham, 2011) that the ownership type of enterprises, in particular multinational versus domestically owned enterprises determines the nature and extent of HRM practices in developing countries (Quang & Thang, 2004, Thang & Quang, 2005a). However, the influence of ownership type on HRM practices regarding employee capability is not well recognized. The aim of this study is to examine the influence of ownership type, more specifically multinational versus domestic ownership, on HRM practices in Vietnam; a transitional economy that is strategically and economically significant to the Asia Pacific region (Hong Hiep, 2012). In particular, we examine how the recruitment and selection, and training and development practices of enterprises in Vietnam are shaped by the type of enterprise ownership. A resource-based view is used in this study as the guiding theoretical framework to better understand the similarities and differences in HRM practices due to ownership types (Penrose, 1959; Wernerfelt, 1984; Barney, 1991).

An examination of the influence of ownership type on HRM practices is particularly salient in the Vietnamese context. Despite having a large labour force there is need for more skill development and knowledge of HRM practices (Quang, Heijden & Rowley, 2010) and research is required to assess whether skills and skills development differ between ownership types and the potential implications of such for the development of HRM practices throughout the country. The findings presented herein are based on five interviews conducted as part of research involving 15 interviews undertaken in North Vietnam between November 2013 and March 2014.
BACKGROUND

Introduction to HRM in Vietnam

Vietnam is an emerging, developing economy suffering from a scarcity of highly skilled labour (Vo & Hannif, 2012). The quality of labour sources in Vietnam is assessed to be lower than other countries in the same region, graded 3.79 out of 10, ranking 11/12 of the countries participating in the classification by the World Bank (Phan, 2011). In Ho Chi Minh City, for example, training and education only meet low skill requirements of the labour market. Across Vietnam many students graduate every year, constituting approximately 200,000 people, however, specific skills required by enterprises are not often evident in the graduates. This results in an insufficient supply of highly skilled labour to meet the demands for economic expansion. Even with appropriate qualifications a number of graduates fail to gain jobs related to their field of study and a significant number of employees work out of their field of study. At the same time large companies are reported to have a shortage of qualified personnel (Phan, 2011). Commenting on the results of a study of 335 enterprises taking part in the competition known as “Vietnamese Star 2011” ("Sao vàng Đất Việt 2011"), Le Quan stated that many employees criticise the quality of new graduates saying they are weak both in professional skills and knowledge, as well as English ability. Many employers report they have to expend undue effort retraining graduates in basic skills such as word processing and appropriate workplace behaviour and communication (Chau, 2011). Such criticisms reflect poorly on the training institutions.

The skilled labour shortage is not only due to education but is also created by a lack of cooperation between universities, colleges and companies, which results in the current curricula not being related to practical training needs (Hargreaves, Montero, Chau, Sibli, Thanh, 2001). According to a study of human resource (HR) management in Vietnam, only 3% of all companies have cooperated with universities and colleges in recruitment (Chau, 2011). The shortage of skilled labour is also due to lack of formal and professional career guidance and counselling for students who may choose to study in an unsuitable field and then switch career paths (Vo & Hannif, 2012) effectively wasting their previous training. The scarcity of labour market data causes a problem as it is difficult to centrally plan what skills and expertise are most urgently needed. Consequently, training and education providers are not aware of...
the types and number of workers in demand (Vo & Hannif, 2012). This potentially presents a challenge for enterprises of all ownership types in respect to employee capabilities. Thus, the current research is important in identifying how employees’ capabilities and capacities are recognized by the varying ownership types and how HRM practices, especially recruitment and selection, and training and development, are implemented to attract and develop capable employees.

Types of ownership in Vietnam

Vietnam’s policies on international trade were implemented after Doi Moi (“open” policies) began in 1986. These “open” policies helped Vietnam emerge from a long period of isolation and shift from a centrally planned system to a socialist market-oriented economy. Consequently, there was a change in government policies and enterprise-level management practices concerning labour and human resources (Collins & Zhu, 2005). State-owned enterprises (SOEs) were given more autonomy and gradually other forms of ownership including equity state-owned enterprises (ESOEs), multinational enterprises (MNEs) and private-owned enterprises (POEs) appeared and developed. In 2011, the number of enterprises of all ownership types was 291,148, as illustrated in Table 1.

The following paragraphs define and explain the differences in ownership types. The law of foreign investment (Article 2, item 10) defines enterprises with 100% foreign investment (or multinational enterprises) as those in which foreigners own 100% of the investment capital in the Vietnamese operation. In 2007, 100% foreign capital made up 6,685 projects with total foreign direct investment (FDI) of US$51.2 billion enterprises. This indicates that 100% foreign capital is the form most preferred by foreign investors in Vietnam (Foreign Investment Magazine, 2011). However, the size of these MNEs in Vietnam tends to be smaller than in other countries both in operating capital and employee numbers. According to a recent survey by the Vietnam Chamber of Commerce and Industry (VCCI), 63% of foreign direct investment enterprises (or MNEs) granted investment licences have an operating capital under US$2.5 million and only 13% of MNEs have an operating capital more than
US$25 million. Significantly, three quarters (75 %) of enterprises are stated to have fewer than 300 employees and 37% of them employ fewer than 50 people (Hang, 2012).

According to the Enterprise Law issued in 1995 (chapter 1, article 1), SOEs are economic organisations operating under the capital investment, establishment and management of the state, to fulfil socio-economic objectives determined by the government. SOEs have their own names, seals and headquarters in the territory of Vietnam. SOEs have had a dominant role in the Vietnamese economy though the number of SOEs has declined gradually in recent years. In the mid-1990s, SOEs accounted for 40 % of GDP compared with only 34 % in 2010 (Nguyen, Nguyen and Nguyen, 2012); resulting from many being sold to private financiers.

ESOEs were formed in the process of restructuring SOEs through equalisation or privatisation, first initiated in 1992 when the sales statements of SOEs were made public (Quang & Dung, 1998). ESOEs were established with the expectation of transforming unprofitable SOEs into more dynamic, fast growing private enterprises, injected with a stronger entrepreneurial spirit (Henrik, 2005).

POEs used to be deemed the ‘enemy’ of socialism (Dinh, 1993), however, Doi Mści changed the perspective of this ownership type. According to the Enterprise Law of 2005, a POE is an enterprise owned by an individual who shall be responsible for all of its assets in any business activity and each individual owner can only establish a POE. POEs are primarily small to medium enterprises (SMEs). SMEs are defined by the Decree 90/2001/ND-CP issued in 2001 as “as the one whose equity capital is no more than VND 10 billion or is using no more than 300 permanent workers”. POEs used to be primarily household or family businesses, followed by small individual enterprises and a limited number of mini industrial firms (Vietnamese Government, 2013). Within several years of implementation of the Law on Enterprises, the number of private enterprises grew from 10,000 in 1999 to 80,000 in October 2003 and 170,000 in June 2006, with the total registered capital of US$ 10 billion, making up 27 % of the social production and utilising two million people (Vietnam Government, 2013). In total, the private sector contributes about 50 % to GDP, created more than 35 % in investment value, and employed approximately 90 % of the total labour force in 2007 (GSO, 2009); outstripping SOEs as the backbone of the economy.
HRM practices in different ownership types

HRM practices in Vietnam vary greatly from one ownership type to another (Truong & Heijden, 2009). Enterprises often have to adjust their HRM practices to meet the specific conditions in which they operate. Thang & Quang (2005a; 2005b) suggest that the adaptation of HRM practices reflects the companies’ ownership traits. Consequently, HRM practices of MNEs are more dynamic than SOEs. In contrast, it is suggested that POEs are less receptive to adopting HRM practices compared to SOEs and that transforming SOEs into ESOEs has not brought about any significant change (Thang & Quang, 2005a & 2005b). However, some authors argue that it may be misleading to assume that all local enterprises lag behind the MNEs and other foreign enterprises (Bartram et al., 2009). However, a summary of HRM practices across different ownership types, as illustrated in Table 2, suggests that MNEs and foreign joint ventures do have higher levels of HRM practices.

Insert table 2 about here

Resource Based View (RBV) in HRM

We use the Resource Based View (Penrose, 1959; Barney, 1991) to guide this study and to better understand how ownership type impacts on HRM views and practices in Vietnam. During the past 10-15 years, RBV has become “one of the dominant theories in strategic HRM in respect to how human resources can have an effect on firm performance”, and has appeared in 30 % of empirical studies investigating the relationship between HRM and firm performance (Boselie & Paawe, 2010:421). RBV has been applied in HRM research in a large range of studies, including Wright et al. (1994 & 2001), Huselid (1995), Kamoche (1996), Bae and Lawler (2000), Delery and Shaw (2001), and Boxall and Purcell (2008).

As Delery and Shaw (2001) point out, there are several advantages in applying RBV to strategic HRM research. First, it helps the researcher to focus on resources that are not highly visible. Second, RBV emphasises the complexity of organisational systems. Third, RBV allows the focus to be on the firm level, in contrast with a number of other theories which focus on internal efficiency issues or outcomes. Amit & Schoemaker (1993: 35) distinguish between resources, which are “stocks of available factors that are owned or controlled by the firm”, and capabilities, which are “a firm's
capacity to deploy resources”. Grant (1991) suggests that resources are the input into the production process while capabilities are what the firm can do with those resources and related outcomes. Olalla (1999:86) argues that resources create capabilities which are the foundation of competitive advantage. Firm resources and capabilities yield economic benefits and are therefore potential sources of competitive advantage. Hall (1993) proposes that competitive advantage is derived from one or a combination of four sources: regular capability, positional capability, functional capability, and cultural capability. Regulatory capability is the outcome from possessing legal entities such as intellectual property rights, contracts, and trade secrets. Positional capability is a result of past actions and decisions. Functional capability relates to the ability to do particular things (e.g. knowledge, skills, and experience of employees and external partners). Cultural capability encompasses habits, attitudes, beliefs, and values that permeate individuals and groups in the organisation.

Employees’ capabilities and capacities are a part of functional capability which is very important to enterprise development. For the purpose of this study, we are interested in how the ownership type of Vietnamese organisations influences employee capability and subsequently influences the HRM practices implemented. To date, RBV research has largely been applied to research in industrialised economies. Thus, the current study is important in extending prior research by providing insight into the relationship between RBV and HRM practices of different ownership types in a transitional economy.

The specific research question to be explored is:

To what extent do the HRM practices of multinational and domestic enterprises in Vietnam demonstrate the resource based view of the firm?

**METHOD**

To gather qualitative information and to ‘find out what is happening and to seek new insights’ (Robson, 2002:59), 15 in-depth interviews were conducted for the broader study on which this research was based. The interviews were undertaken in the Northern region of Vietnam in the cities and provinces with the greatest concentration of MNEs, POEs, SOEs and ESOEs, including Hanoi and Hai Phong city.
Interviews were conducted across the four ownership types with enterprises having between 50 and more than 1000 employees. Five of the enterprises were selected for examination within this paper: 1 SOE, 1 ESOE, 1 POE, and 2 MNEs (the latter including one each from Japan and the US). Among the selected interviewees, there are 2 HR managers, 1 Vice-director, 1 COE and 1 Head Representative. The interviews were conducted within service industries comprising manpower recruitment (n=2), water supply (n=2), importing and exporting (n=1).

The interviews were carried out over four months from November 2013 to March 2014. Following initial contact through the first author’s professional networks, the snowballing technique was utilized to collect data. ‘Snowballing involves recruiting individuals to collect data from other individuals whom they think meet certain inclusion criterion defined by the researcher’ (McGee et al., 2009:974). This technique has been proven to be more efficient and sometimes less expensive than using traditional recruitment strategies (Sadler, Lee, Li, & Fullerton, 2010) and builds trust among the potential participants who then agree to participate in the interviews (Sadler et al., 2010).

The recorded interviews were conducted by the first researcher in Vietnamese and were of approximately one hour in duration; consent forms were collected prior to the commencement of the interviews. The recorded interviews were transcribed and then translated into English by an experienced translator in Vietnam. The interview data were then analysed manually.

FINDINGS AND DISCUSSION

Two themes that emerged from the interview data regarding the influences of different ownership types on HRM practices were recruitment and selection, and training and development. These themes are framed in terms of RBV, especially in relation to functional capabilities that bring competitive advantages for firms.

Recruitment and Selection:

The findings indicate that different ownership types utilised different approaches to recruitment and selection to attract potential candidates with the capabilities the organisations require. For example, the
POE utilizes ‘online, magazine and via friends’ recommendation’ to recruit the workforce with potential capability (#1) whereas the POE can ‘recruit any time’ they want, and ‘when there is a need’ (#1).

Recruitment sources for the SOE are different to the POE in that the SOE often sends job requests for excellent candidates to universities and educational institutions who select from their talented new graduates and recommend them to the companies (#15). In this way, even though there is generally a shortage of highly skilled employees in the labour market, the SOEs are always able to recruit some of the best and most skilled candidates. However, this kind of recruitment is not necessarily based on the specific needs of the SOEs, which means that while there may be an abundance of employees within the company the organisations may not be able to fully maximise their capabilities due to a lack of jobs within the organisation that require their particular skills and knowledge. This may result in employees working less effectively and the SOEs may experience difficulty in retaining them.

Similar to the POE, the SOE based their selection on the applicant’s CV, educational background and degree level, and checked the candidate’s abilities with his/her previous employer or educational institution. This is evidenced by the following quote: ‘we consider the CV and certificates as requested in their application, then we have to verify and confirm the applicant’s ability; we even work with the place where he was trained to see if the information is true’ (#12). Nevertheless, this approach to recruitment is only applied to the lower positions in the company. The highest position (e.g. ‘General Director’) of the SOE is appointed by the ‘City People’s Committee’ and ‘the vice-general directors and others of lower ranks will be appointed by the General Director (or by the Company Chairperson, if structured)’ (#12). This suggests that appointment to the highest position within the SOE tends to occur informally relying more on internal selection rather than being based on a competitive selection process – a situation which contrasts markedly with the MNE. The internal selection of the SOE proves to be an advantage in comparison with the external selection that the MNEs often utilise in that the person to hold the highest position within the SOE already has a substantive knowledge of the internal functioning of the enterprise and the other staff in the organisation are familiar with the selected person’s strengths and weaknesses. Therefore, it could be expected that there would be a strengthened
relationship developed between the new director and the staff member, resulting in close and effective relationships within the enterprise.

The ESOE utilises ‘local newspapers, company notice board, recommendation of friends for job advertisements’ and ‘ESOE recruits only when a need is raised’ (#15) which is consistent with the recruitment practices of the POE. The needs-based recruitment of these ownership types may provide more opportunity for employees to develop their own capabilities as they can do the job within their field of interest. In the ESOE and POE there is not the same range of jobs unrelated to the employees’ skills or qualifications, which occurs in SOEs. However, the ESOE indicated that they have difficulty in recruiting top candidates as the time of students’ graduation may not coincide with the time the company needs new employees and good graduates may have already been recruited by SOEs.

‘We cannot make an advanced arrangement for good graduates from a training school nor can we have them when we don’t have work for them, who might have been taken by other institutions, before we need them’ (#15).

To recruit a capable workforce, the Japanese MNE applies several processes, (1) they look at an applicant’s background as detailed on their CV, (2) conduct selection interviews, (3) and utilise computer-based testing in English. If a difficulty arises in making a decision, the candidate’s previous institution(s) will be consulted in order to obtain their remarks on the candidate (#4). The Japanese MNE aims to ‘recruit not only the talent but also the average people, as the likelihood of the talent leaving is higher. So we employ a range of employees, depending on their own country’s education and training’ (#4). In addition, to enhance the capabilities of employees, the Japanese MNE appreciates seniority in selection for promotion. ‘The longer time you work and the more experience you have from starting at the lowest rank, the higher position you may be appointed for depending on your capability’ (#4).

The US MNE seems to have the most advanced recruitment and selection processes that help the company to identify requisite capabilities. It classifies skills using different levels: ‘Level 1 consists of the qualifications and skills as a must; Level 2 consists of transferable skills; Level 3 consists of those with potential at the point of recruitment, and being trained right in the business after recruitment to be
able. Using this method, our company can better exploit the potential strong points that candidates may hold than narrowly attract manpower that exactly matches the job description. It shows positive effects, both recruiting the right person at a time of need, and overcoming the common aspects of the manpower market. This helps restrict the lack of qualifications and skills, and the tendency to attract manpower of the same professional area among the HR recruiting companies’ (#10).

In addition, the US MNE utilises recruitment tests and a ‘performance predictable system’ that allows them to see the candidates’ hidden capability, as noted:

‘Recruitment tests allow the employers to see the candidates’ potential capacity: ... the candidates’ educational background, positions and jobs they have held....A lot of people ...have developed their career differently from their educational background but it doesn’t mean that they cannot perform well....The ‘performance predictable system’ provided by the headquarters helps the recruitment organizer discover the employees’ potential capabilities’ (#10).

In short, the current findings suggest that the approaches to recruitment and selection of the domestic enterprises were simple and traditional while MNEs utilised a more sophisticated approach to obtaining capable employees. This is consistent with Thang and Quang’s (2005b) finding that MNEs are more proactive than domestic enterprises with regard to recruitment and selection. However, the current findings add to this in suggesting MNEs seem to pay more attention to employee capability especially in respect to their recruitment and selection practices. The findings indicate that RBV is evident in the MNEs’ recruitment and selection practices but not in those of the domestic enterprises. Furthermore, the findings revealed that recruitment and selection methods vary by the country-of-origin of the MNE. The Japanese MNE emphasised local education and training to employ capable employees for different positions and utilised selection of seniority to promote within the company whereas the US MNE classified the skills for recruitment at three levels.

Training and development

The findings suggest that to ensure capable employees, each ownership type has a different level of investment in training and development. On-the-job- training is broadly implemented in all ownership
types particularly as some enterprises (e.g. POEs) suggest that the local lecturers do not have the required specific and practical experiences to the same extent as their current staff. In addition, the SOE has cooperative training with local and international institutions. The ESOE provides higher education with full payment of fees on condition that the employees commit to the company long-term. The US MNE applies online training (e.g. webinar) whilst the Japanese MNE has standard training software and a training board which establishes training plans for individuals or groups.

Quang and Thang (2005b), and Vo and Hannif (2012) found a tendency for domestic enterprises to invest less in training than MNEs. Our findings suggest that domestic enterprises may have a shortage of financial resources or have not established a ‘fixed fund’ to invest in training or have no regular training plans as indicated by the following quote:

‘The ownership type of our organization (SOE) doesn’t limit T&D practices because it all depends on the training fund and the management methods of the managers’ (#12).

‘The ownership type (ESOEs) passively influences T&D practices, for example, we haven’t managed successfully to set up a fixed fund for regular training and development. Currently the T&D fund is created for seasonal requirements’ (#15).

‘The ownership types (POE) doesn’t affect training and development….Training and development approaches are based on the market demand. Once there is a need of training, the activity occurs’ (#1).

Among the domestic enterprises, the SOE and ESOE invest in training and development more than the POE. This can be explained by the POE considering training to be the responsibility of individuals (similar to the finding that 90 % of enterprises have not invested in training their employees (Nguyen & Bryant, 2004)) ‘…POEs want to have staff that can work immediately, and need no effort or investment in training’ (#12). In contrast with the domestic enterprises, the MNEs consider training as an investment and motivational tool (Thang & Quang, 2005b). Therefore, MNEs responded with various training activities whenever they found that their staff needed training to be able to meet performance requirements (Thang & Quang, 2005b). However, training resources are not being fully utilized by MNEs’ employees due to language barriers, which can be a significant obstacle to learning for the local labour force (Kamoche, 2001). In addition, it could be suggested that there might be more language
barriers in the MNEs that are from non-English speaking countries. This may partially explain why the HRM practices of the Japanese MNEs are not accepted easily by Vietnamese employees in comparison with that of the US MNEs (see Vo & Stanton, 2011).

In summary, investment in training and developing capabilities of employees occurs more in the MNEs than the domestic enterprises. Alternatively, compared to the domestic enterprises MNEs give more consideration to functional capability in respect to training and development. As mentioned above, functional capability is one of the potential resources of firms. Therefore, compared with the domestic enterprises there is more evidence of the MNEs demonstrating an RBV approach in implementing training and development.

RESEARCH CONTRIBUTION AND CONCLUSIONS

Capabilities of employees as an extended approach to the RBV offer a closer perspective of the real sources of competitive advantage of firms (Teece et al. 1997). It is likely that to be able to compete with domestic enterprises in the same service industry and to retain a competitive advantage, the MNEs create and renew HRM practices by developing the capability of employees. In applying a RBV framework to examining the influence of different ownership types on HRM practices, the current research has the potential to contribute not only to the literature on HRM practices in Vietnam specifically but also to broader international HRM literature. The first contribution of the research is in extending the literature on the links between ownership types and HRM practices (particularly in terms of recruitment and selection, and training and development) i.e. the factors which determine differing HRM practices according to ownership type (SOE, ESOE, POE, MNE). In essence, MNEs seem to pay more attention to recruiting employees who offer the requisite capabilities and working with them to develop capacity through training and development, although recruitment and selection methods do vary by the country-of-origin of the MNE.

MNEs generally have greater resources (e.g. technology and skilled human resources) to offer to developing and transitional economies. Thus, the MNEs demonstrate more evidence of an RBV approach in their HRM practices than do domestic enterprises. Therefore, the second contribution of this research is to address existing gaps in knowledge in respect to how RBV is applied in leveraging
employee capability through HRM practices.

The study suggests some implications for managers, the Vietnamese government and the Vietnamese education system. Managers of domestic enterprises can adopt new HRM practices which they see operating in MNEs whereas it could be suggested that MNEs can learn from domestic enterprises about how to harmonize human conflicts (e.g. misunderstanding, poor relationships between colleagues) at work by adjusting their HRM practices to suit the local business culture. In addition, the government should take into consideration better a focus within university training and increasing numbers of university placements so that the companies can immediately utilise the skills of new graduates without needing to train/retrain them. Furthermore, there is need for more cooperation between universities and companies in ensuring that lecturers have knowledge of and implement practical work requirements within their teaching curricula to assist in ensuring graduates are work-ready. As suggested in the findings, since many Vietnamese lecturers have only learnt from books/theory, such an approach would economically benefit companies through reducing training/retraining time.
Table 1. Number of enterprises operating in Vietnam by 2011.

<table>
<thead>
<tr>
<th>Ownership types</th>
<th>Number of enterprises in total</th>
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<tbody>
<tr>
<td>Total</td>
<td>291148</td>
</tr>
<tr>
<td>SOEs</td>
<td>785</td>
</tr>
<tr>
<td>ESOEs (&gt; 50% state capital)</td>
<td>1456</td>
</tr>
<tr>
<td>ESOEs (&lt;50% state capital)</td>
<td>1710</td>
</tr>
<tr>
<td>POEs</td>
<td>48010</td>
</tr>
<tr>
<td>POEs, Ltd-Co (&lt;= 50% state capital)</td>
<td>163982</td>
</tr>
<tr>
<td>MNEs (100% foreign capital)</td>
<td>5995</td>
</tr>
<tr>
<td>Local Joint Venture</td>
<td>419</td>
</tr>
<tr>
<td>International Joint Venture</td>
<td>840</td>
</tr>
<tr>
<td>Others</td>
<td>67951</td>
</tr>
</tbody>
</table>

Sources: translated from GSO (2011)

*Note: SOEs= State Owned Enterprises   ESOEs= Equity State Owned Enterprises
POEs= Private Owned Enterprises   MNEs= Multinational Enterprises
Table 2 HRM practices by ownership over periods of time.

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Leninist-Stalinist</td>
<td>Socialist</td>
<td>Mixed</td>
<td>Market economy</td>
<td></td>
</tr>
<tr>
<td>Economic conditions</td>
<td>Static</td>
<td>Chaotic</td>
<td>Dynamic</td>
<td>Competitive</td>
</tr>
</tbody>
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<th></th>
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<tbody>
<tr>
<td>SOEs</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>ESOEs</td>
<td>NA</td>
<td>NA</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>POEs</td>
<td>NA</td>
<td>NA</td>
<td>Low</td>
<td>Low/Medium</td>
</tr>
<tr>
<td>JVs</td>
<td>NA</td>
<td>NA</td>
<td>Medium/high</td>
<td>Medium/High</td>
</tr>
<tr>
<td>MNEs</td>
<td>NA</td>
<td>NA</td>
<td>High</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Truong & Heijden (2009)
REFERENCES


