

Higher Education in Vietnam: A Look from Labour Market Angle

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Education, one of topics that takes space in newspapers and magazine, is interested by entire Vietnamese society with many workshops at all levels from central to local one. Among them, higher education and students' work after their graduation have been an interest of not only the students and their families but also of management levels and the entire society. This Chapter mentions some basic issues of higher education in Vietnam relating to the supply and demand of labour.

Functions of higher education

Nowadays, higher education focuses on meeting the need of 3 subjects, namely, the need of the State for governmental managerial officials of various branches; the need of the learners for their knowledge and professional ability to get job (in which, one cannot help mentioning the need for possessing a degree that is called *a false need*); the need of businesses (for using labourers after their graduation). Here, we just mention the third need, i.e., the need of businesses for trained labour at higher education level.

The Education Law states that the functions of higher education are “building human resources for our industrialisation and modernization, training a technological and scientific staff with high professional ability, having and applying knowledge in reality, innovation and technology transfer, successfully carrying out our national industrialisation and modernization process”. These mean that higher education assumes responsibility for supplying high qualified human resources, meeting the need of the labour market, the need of life and that of innovation process and integration. Then, in fact, Vietnam's higher education has performed its functions at which level?

Situation of issues of Vietnam's higher education: supply does not meet demand

Twenty years have passed since Vietnam admitted market mechanism in social economic development. Together with the globalisation trend, “innovation” policy and the market economy have blew a new breath of air, created good conditions for the development of the multi-sector economy, brought about growth of need on high qualified human resources, required Vietnam's higher education to change in order to meet that need.

We can say that, the market mechanism has impacted on all aspects of social life of Vietnam, including education, especially on higher education whereas the labour market develops along with the pressure to find job after graduation of the students. However, from the market economy viewpoint, we can see that entering the 21st century, Vietnam's education has not changed fast enough to meet the need of training and international integration.

Together with the existence of the system of State's managerial agencies and businesses is the appearance and development of hundreds of thousands of private businesses, foreign-invested businesses, joint-stock companies which creates a potential labour market with high demand. However, it is not because of the above reason that there is less pressure in supply of labour and the demand for trained labour has increased in term of quality as well as quantity.

Thus, though the number of annual university graduates is up to some ten thousands every year and still continues to increase annually due to the development of public and private university with various training system, most of the businesses complain that they often face difficulties in recruitment of human resources according to requirement of work.

In a survey of Ministry of Education and Training, almost all graduates get their job, but the rate of those who have job in accordance with their trained speciality is less than 20%¹. Hence, almost all new graduates are usually re-trained from 6 to 12 months where they are just recruited. Obviously, there are those (only few) who can work very well without being retrained. The target that higher education needs to direct to is the majority of graduates can immediately start the work they are trained and basically meet requirements of the job. Retraining of new graduates has created great pressure on businesses in using so-called trained employees but they do not understand their role, responsibility and work at the workplace.

We can assert that, training at tertiary level in Vietnam at present has not yet met the need of labour market in term of both quality and quantity. Regarding to the quantity, the lack of qualified human resources in almost all branches, specially new branches has put businesses in inextricable situation in human resources management. This does not only exist in the information technology² but also in almost all economic branches such as financial banking, marketing, tourism³ and shipbuilding⁴.

Regarding to the quality, we can say that, at present, the rate of graduates who can meet the need of actual work is very low. According to the World Bank, up to 50% of textile and chemistry businesses claim that trained labourers can not meet their demand. About 60% of young labourers who graduate from training establishments need to be retrained right after being recruited. Particularly, 80% to 90% of recruited graduates in software area need to be retrained in at least 1 year.

Employers have to retrain labourers not only about professional speciality but also working attitude, awareness of duties and responsibilities in return for their interests, necessary skill

¹ This shows great waste in term of money and time: waste of costs for professional training without being used after that, waste of time and money of learners when they can not bring into play what they have learned, waste of resources of the society and their families...

² To achieve the information technology development target in the year 2010, we need about 80 thousands professional software engineers. However, according to a general report, up to that point of time, despite all our effort, we just have around 26 trained professional software engineers. Though, the number of new enrolments in the information technology training has increased very fast recently. This means that, at present, the demand for manpower in this in Vietnam exceeds the fulfilment ability of the training system.

³ According to a study of Navigos in 2007, the serious shortage of trained labour continues to take place in textile, footwear, woodwork manufacturing and tourism in Vietnam. In the 2nd Quarter of 2007, index of demand for human resources of 46/56 branches has increased considerably and contributed to high speciality and standard branches. Need to recruit more staff for jobs like selling, accounting in finance and banking, information technology, administrative work, marketing, managing increases more than 200%. Meanwhile, number of labourers has increased considerably but still can not fulfil the demand of the labour market. The report also asserts that if the supply of the labour increases by 30%, then the demand will increase by 142%.

⁴ According to the Director of Vinashine Group, every year, shipbuilding needs 20,000 new workers and 2,000 new engineers, but the training scale can provide just 50% of the required workers and about 30% of the required engineers.

such as communication, negotiation, using computer, using foreign language, etc... and especially, working discipline, working time observance, particularly in businesses having connection with foreign partners. Expenses for retraining does not only cost employers' money but their time, effort and sometimes business opportunities as well. In order to save money, many businesses choose to use foreigners at fundamental position. In fact, after Vietnam's accession to WTO, the number of foreign employees in businesses in Vietnam has increased more and more, competed with local employees. This means the quality of our human resources is low and does not meet the labour market's demand. So, what are the main reason for this?

The main reasons of the situation of supply does not meet demand of Vietnam's higher education

There are many reason for weaknesses of Vietnam's present higher education⁵. They creat a big gap between the supply and the demand of trained labour. Here, we would like to mention some main reasons.

First, that is the teaching method in universities. We can say that higher education in Vietnam, at present, attaches too much importance to teaching theory and principles, without caring about students' skills and creative capacity. The education processes do not pay attention to practice and thought of the learners. Investment for practice, experiments, researches is very little, as a result, it is explainable that students' awareness on the lessions are theoretical and they can not link facts and figures together.

At present, higher education just concentrates on theoritocal knowledge without taking care of practical knowledge, skills and social knowledge and viture of the labourer as well. Thus, criteria to appraise students should not only base on some theoretical lessions but must be a clever combination among information, knowledge, ability to application into reality, working attitude and skills.

Many students just study whatever they are taught without realising what they should/need to learn and how to learn it effectively? There are also many students who do not know criteria which they must have to get a job? What does labour market expect from them? ... They just concentrate on some certain knowledge given by lecturers in the class. But, in fact, many lecturers only teach theory and many of their lectures are outdated and backward, they are belong to the 1970s of the last century. There are only few lecturers who bring practice into their lectures to prove the theory they provide to students. These lecturers are mainly trained abroad or at universities with advance teaching programs or having association courses with foreign universities or at universities of technique and technology. Moreover, time for lectures in classes is not long enough for lecturers to teach thoroughly every issue on specialized knowledge and working skills, but the students, themselves have to improve their competence with their own self-reliance and creative thought.

We also have to assert that there are only few training establishments have effective encouraging policy towards lecturers so the later can wholeheartedly bring something new

⁵ How can our higher education fulfil the need of the labour market? There are many answer for the question. From macroscopic view, we would like to approach with 3 issues. First, education method, with this, the learners should know what to learn and how to learn? Secondly, content of the education programs. Lastly, requirements towards learners so they – the outcome of the higher education can meet the demand of the labour market.

and real into the lectures. Bringing reality into lectures and applying new teaching methods depend largely on professional ability of the lecturers, pressure of their work and training establishment's treating and encouraging forms. The Ministry of Education and Training has to admit that, generally, teams of lecturers in various training establishments show weaknesses and this is one of the reasons affect the quality of graduates.

Besides, inspection and assessment in universities are not comprehensive. they do not evaluate the teaching process as a whole but only base on some tests on knowledge according to a predetermind frame without encouraging creativeness. And present assessing method still dignifies individualism without making students have team work habit.

Secondly, that relates to training programs. We can say that, due to managing mechanism at higher education level is too concentrative and inflexible. They do not allow universities to change the programs and subjects in accordance with changes of the environment. As a result, many say that Vietnam's higher education stands apart from movement of the global education. According to Professor Do Tran Cat, the General Secretary of the Council of National professor title, higher education programs are still inappropriate however, their modifications are very ineffective. Opinions of experts are usually not acknowledged in process of making training programs⁶.

Thirdly, that is recruitment in labour market. The market mechanism has been creating pressure for labourers to enrich their professional knowledge as well as basic skills in order to perform their work and tasks best. However, there are still many State businesses and managing agencies do not attach great importance to the quality of the labourers in term of speciality, professional competence, trained skills. Instead of these are the weight of different relationships, handwritten letters or money when they recruit labourers. Together with them, the thought of "working in State agencies is very stable, cushy and many chance for promotion" of many Vietnamesees also creats bad psychology and does not really encourage students study with all their ability. We can say that usage of talented people is not equitable and can not encourage able people to work, treatment regime in the line of level or partial policy have extinguished enthusiastic flame of many Vietnamese youths. The fact that high qualified people work abroad or at foreign agencies have rung an alarming bell to Vietnamese managers. But, in fact, realization of this situation has not yet enlightened managers in human resources management. And this is also a reason lead to higher education's lack of driving force to change in accordance with the change of the environment and that of the labour market.

Fourthly, that is the quality of education. If we regard education as a mirror that reflects the future of a nation then higher education would reflect competitive competence on present human resources of that nation. We must answer this question, "can the product of higher education fulfill the need of the labour market?", because the target of higher education are fulfilment of the demand for labour and competitive competence with global labour market. The quality of education must be created from objective conditions for students' brainpower can develop and bring into play in real life conditions and global competitiveness. Instead of putting the youth in a close, inflexible theory frame which erodes the thought of able and

⁶ In the 1970s and 1980s of the last century, to become a postgraduate abroad, students just need Vietnam's degree. In the 1990s, many countries required Vietnamese postgraduates to have a MA degree. In the 21st century, some advanced countries require Vietnamese postgraduates to have their MA degree before being admitted despite their Vietnamese MA degree.

creative people there should have an encouraging policy for creative and independent thought of the youth.

In fact, assessment of the quality of education is not scientific because both the society and the education establishments have not yet brought out specific criteria to assess the products of the higher education, i.e., graduates. Thus, the education establishments also can not define exactly what they need to produce able and skilled students to meet the need of the labour market. The judgement that “Vietnam’s education standard is still far from that of the world” is not too pessimistic. According to American experts, Vietnam’s higher education remains so many weaknesses and just can meet approximately 20% of the training demand and still can not meet the demand of the labour market.

When recruiting new graduates, almost all businesses have to retrain their new staff from 6 months to 1 year. This is the clearest proof showing that the quality of higher education has not met actual need of the labour market. So, what to do so that the majority of new graduates can immediately start their work (according to their trained speciality).

The last but not least reason is the weakness in forecasting the demand for labour and the lack of understanding on slowness of our education in comparison with the reality, this also affects the quality and the irrationality in the number of trained labourers in Vietnam. They just wait up till the need of some specific branches grow high then start thinking about what should they do or how they train people in those branches. And this is the fundamental reason for despite considerably growing training scale in the last few year, new branches that need training still remain in the situation of shortage of properly trained human resources.

Does proposal solutions has effect for improve the quality of Vietnam’s higher education?

To solve the above mentioned problems, the role of the Government is indispensable though the interference of the market economy to the education is not small. We should remember that education is a service, moreover it is a public service. There some initial proposals that we hope the Government can implement to absolutely settle these problems, those are:

(1) Giving self-control to training establishments. This should be done in building the frame of the training programs, choosing of subjects, changing of subjects in accordance with the need of the reality, choosing of training forms, recruitment and supplementary technical training of lecturers, issues relating to tuition fees and finance as well as form of enrolment. Many worry that this would affect to the quality of training and commercialisation in education. In our opinion, the commercialisation in education also has some advantages. Because if an education establishment does not try to produce students with high qualifications then they can not find job after graduation. In the market mechanism, poor quality and unskillful students will not have chance to get good job and that education establishment will loose its attraction with the students and trainees, then it will be eliminated.

Hence, giving self-control to training establishments will encourage them to try to find out the need of the labour market and apply an effective frame of the training programs together with the usage of new, suitable training and assessment methods. Therefore, they can provide the market with trained staff who have many skills required by work.

Now, the State has policy to strengthen the self-control of the training establishments but it seems to be at experimental level at some establishments and mainly in financial aspect. If this policy is implemented extensively and comprehensively then the establishments themselves have to change to accept taking risks and try to be able to make strategic decisions. Their leaders also should be a competent people with a broad vision, ready to sacrifice individual interests for the future of many generations of lecturers and students, contribute to improve the quality of their outcomes.

Obviously, giving self-control to these establishments has to be done in concurrence with trying to overcome challenges such as growth of training scale of bad quality establishments, politics orientation, reduction of timelimit for some traditional subjects, high tuition fees, fast increase of the number of training establishments... However, in the market mechanism with rational regulation of the State, the above challenges will definitely be reduced because the labour market in the international integration context will only accept qualified products which suitable to relative local socio-politic conditions.

The Ministry of Education and Training is the general leader on policy who co-ordinates researches and teaching activities of different universities, popularizes advanced teaching methods and programs, supports inexperienced universities of teaching programs and other management issues. This innovation is also similar to economic innovation, liberation of productive forces, encouraging of labour force, socialisation and free development. These universities have to take responsibility for their quality of education and prestige, they will have to comply with some regulations and institutions of the Ministry but these regulations and institutions should encourage creativity and development instead of putting them under constraint and hinderring them from development.

(2) Encouraging cooperation among training establishments and businesses, associations in order to narrow the gap between training and using labour. Permitting and encouraging training establishments to cooperate with businesses and associations on the basis of the need for labour recruitment will contribute to connect education with reality and at the same time reduce the pressure of universities' on finance, infrastructure and actual professional knowledge, allow employers to take part further in training process later, help the products of higher education more suitable with actual need, i.e, heightening the quality of higher education. Employers will help the universities more understand what they should do to make the students have which knowledge and skill in order to cooperate and regulate the training programs more suitable.

We should creat a close relation between the training establishments and businesses because the later is the employers who know and can forecast their need for human resources and skills their employees should have. The businesses can place an order with the training establishments instead of waiting for graduates then recruit new staff and retrain them. This means, employers should play a decisive role in the training process so that they can have quality "inputs", that is they have qualified employees, save time and money, help save costs for higher education of the society.

Evidently, to associate training with the need for labour and help graduates get jobs in accordance with their speciality, employers should early and deeply take part in the training process, closely couple their responsibility and interests that they would enjoy from usage of the labour.

The cooperation can bring some more income to cover part of the university's training expenditure. Actually, enterprises will be willing to pay in order to recruit employees who meet their requirements. If it is possible, enterprises can invest for universities, and its faculties who train their to-be employees provided that the invested graduate students must work for them for a certain of time. The author suggest that in stead of collecting fee from enterprises, universities should ask for support from entrepreneur community. The cooperation program also supports infant enterprises at the early time, and is helpful for graduate students.

(3) Change of method and criteria of recruitment, especially in managing agencies and State's businesses⁷. When recruiting, we should base mainly on working capacity of the candidates instead of their relations; this will make them have motive to improve professional speciality, actively equip them with necessary skills to be recruited to expected position. Basic criteria in recruitment should be applied strictly (not formalistic). They are creativity, flexibility, understanding, competence and other skills (which depending on relative working post); qualifications also should be taken care but they are just one of criteria in recruitment. When applied new recruitment criteria, with the close relation between the universities and the labour market, training establishments will know the criteria for evaluating the quality of the labourers and use them in training their students. This will help students have a more concrete look on their work in future. Then, they have clearer orientation in study, improve necessary knowledge and skills for their future job.

(4) Having a forecasting regime and system on human resources so that the training establishments can make plans, adjust the training structure, build effective training programs instead of training according to planned figures as present. If this mechanism wants to work out nicely, there should have enthusiastic support from the State and the businesses, i.e, future labour users.

There are still many things to do to enhance the quality of Vietnam's higher education. Here, we just give some proposals to the highest managing level of the higher education. The training establishments must also have their own strategic plans in order to exploit their opportunities and at the same time overcome challenges and weaknesses with their resources and strengths in a global competitive environment. Hence, making sure that products of each establishments, i.e, the graduates can compete in the local as well as international labour markets. The education should attach special importance to the outcomes, i.e, its own products and higher education must be considered a leading production system of the society – producing human resources. The products should fulfill the need of the society, serve the need of other systems that produce other material and spirit values. This means that higher education has to pay attention to both financial effects as well as its social responsibilities in the context of global competition in many aspects including human resources as present.

⁷ Though, fewer and fewer people tend to work in State managing sector and State's businesses, jobs, form and criteria for recruitment in this sector are still considered standards for labourers to compare and realize of "society" in general.