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## **Strategies for human resource development for thu dau mot university in Vietnam**

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### **Abstract**

This article points out to the mainstream theories of strategic human resource management and based on that is attempting to discuss human resource management practices in Thu Dau Mot University and diagnose its future development.

**Keywords:** human resource, development, strategy, thu dau mot university, vietnam

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### **Introduction**

Strategic human resource management is a strategic approach to achieve organization's goals through managing people by means of human resource strategies, policies, programs, procedures, processes and practices. There are many definitions concerning strategic HRM as a new concept of human resource management. Hereafter are some of them.

*Strategic human resource management* – 'see the people as a strategic resource for the achievement of competitive advantage' (Hendry and Pettigrew, 1986).

*Strategic human resource management* – 'a set of processes and activities shared by Human Resource manager and line managers to solve people-related business problems (Schuler and Walker, 1990).

*Strategic human resource management* – 'the pattern of Human Resource deployments and activities intended to enable an organization to achieve its goals' (Wright and McMahan, 1992).

*Strategic human resource management* – 'focuses on actions that differentiate the firm from its competitors' (Purcell, 1999).

*Strategic human resource management* – successful organization's performance depends on a close alignment (fit) between business and Human Resource strategy (Batt, 2007).

### **According to strategic approach to human resource management, the human resource is treated as**

- A major source of (sustained) competitive advantage;
- Having a strategic role in attaining success.

Accordingly, human resource strategy is an intention in human resource management, policies and practices to integrate them with business strategy.

Generally, strategic human resource management supplies a perspective on the way in which critical issues or success factors related to people can be addressed, and strategic decisions are made that have a major and long-term impact on the behavior and success of the organization. Strategic human resource management's major focus is on the alignment of human resource strategies and human resource strategies with business strategies.

- Horizontal integration – linking individual human resource strategies together to provide mutual support.
- Vertical integration – integrate human resource strategies with business strategies.

### **As a consequence, the aims of strategic human resource management are**

- To generate human resource's strategic capability – ensuring the skilled, engaged and motivated employees to achieve sustained competitive advantages.
- Create firms intelligent and flexible – hiring and developing more talented staff and extending their skills base.

### **Alike the essence of strategy, the strategic human resource management is largely about integration and adaptation. Its concern is to ensure that**

- Human resource management is fully integrated with the strategy and strategic needs of the firm;
- Human resource policies cohere both across policy areas and across hierarchies;
- Human resource practices are adjusted, accepted and used by line managers and employees as part of their everyday work.

The rationale for strategic human resource management is the perceived advantage of having an agreed and understood basis for developing and implementing approaches to people management that take into account the changing context in which the firm operates and its longer-term requirements. When considering the aims of strategic human resource management it is necessary to address the issue of the extent to which human resource strategy should take into account all ethical considerations, the interests of all the stakeholders in the organization and employees in general, as well as owners and management and the responsibilities of the organization to the wider community.

The strategic human resource management may be hard or soft. The soft version of strategic human resource management will place greater emphasis on the human-relations aspect of people management, stressing continuous development, communication,

involvement, security of employment, the quality of working life and work–life balance. The hard version of strategic human resource management, on the other hand, will emphasize the yield to be obtained by investing in human resources in the interests of the business. Strategic human resource management should attempt to achieve a proper balance between the hard and soft elements. All organizations exist to achieve a purpose, and they must ensure that they have the resources required to do so and that they use them effectively. But they should also take into account the human factors contained in the concept of soft strategic human resource management.

## **2. Identified strategies for human resource development**

### **2.1. Human Capital Management (HCM)**

Concerned with obtaining, analyzing and reporting data on directions of value-adding strategic human resource management, investment decisions. Human Capital Management involves the systematic analysis, measurement and evaluation of how people policies and practices create value. Human Capital Management provides a bridge between human resource and business strategy. An organization's success is the product of its people's competence. That link between people and performance should be made visible and available to all stakeholders.

### **2.2. High Performance Management (HPM)**

It is about developing and implementing high-performance work system. A high-performance strategy sets out the intentions of the organization on how it can achieve competitive advantage by improving performance through people. The aim is to support the achievement of the organization's strategic objectives. This aim can be put into effect by means of high-performance work systems, high-performance work practices and high-performance work organizations. High-performance work system as a means of HPM Strategy is about:

- Practices that facilitate employee involvement, enhance skills and strengthen motivation;
- Open, creative and people-centered culture;
- Training, loyalty, inclusiveness and flexible working;
- Measure performance outcomes.

### **2.3. Corporate Social Responsibility (CSR)**

A commitment to manage business ethically to make positive impacts on society and the environment. CSR strategy is integrated with the business strategy and associated with human resource strategy because it is concerned with ethical behaviour both outside and within the firm, with society generally and with the internal community specifically.

### **2.4. Organization Development (ODE)**

Is about the programs designed to enhance the effectiveness of the organization to function, to adapt and to respond to changes. Organization development is defined as the system wide application and transfer of behavioral science knowledge to the planned development, improvement and refinement of the strategies, structures and processes that lead to organizational effectiveness. Organization development helps people work more effectively, improve processes such as formulation and implementation strategy and facilitate management of change.

### **2.5. Employees' Engagement (EGT)**

is about to increase the level of employees' engagement with their work and the organization. Engaged people at work are positive, interested in and even excited about their jobs and prepared to go the extra mile to get them done to the best of their ability. The term employee engagement refers to the extent to which employees put discretionary effort into their work, beyond the minimum to get the job done, in the form of extra time, brainpower or energy. An engagement strategy will address all the means that an organization can use to promote this type of effort.

### **2.6. Knowledge Management (KMA)**

It is about creating, acquiring, sharing and using knowledge to enhance learning and performance in organizations. It allows companies to capture, apply and generate value from their employees' creativity and expertise. It is concerned with both stocks (tacit knowledge) and flows of knowledge (explicit knowledge). Stocks of knowledge included expertise and encoded knowledge in computer systems. Flows of knowledge represent the ways in which knowledge is transferred from people to people or from people to a knowledge database. In relation with that, KMA strategy is to:

- Capture collective expertise and distribute it to where biggest payoff can be achieved;
- Source of competitive advantages lies not in the market but within the firm (capability to gather, lever and use knowledge effectively);

### **2.7. Employees Resourcing (RES)**

Is about attracting and retaining high-quality staff. RES strategy is concerned with ensuring that the organization obtains and retains the people it needs and employs them efficiently. It is a key part of the strategic human resource management process, which is fundamentally about matching human resources to the strategic and operational needs of the organization and ensuring the full utilization of those resources. It is concerned not only with obtaining and keeping the number and quality of staff required but also with selecting and promoting people who 'fit' the culture and the strategic requirements of the organization.

### **2.8. Talent Management (TMA)**

Each organization should secure the talented people needed to achieve success. Talent are individuals who can make a difference to organizational through immediate contribution or by demonstrating the highest potential. Hence, TMA is:

- A process of identifying, recruiting, retaining, developing talented people.
- More comprehensive and integrated activities to secure the flow of talent in an organization, bearing in mind that talent is a major corporate resource.

### **2.9. Learning and Development (LAD)**

Each organization need to create an environment to encouraged employees to learn and develop. Hereafter, we present the general strategy for learning and development; and the strategic human resource development as a specific.

- LAD strategy is to ensure that the organization has the

talented and skilled people who are given opportunities to enhance their knowledge, skills and competency. In addition, it is concerned with developing a corporate learning culture, and organizational and individual learning inside.

- Strategic human resource development involves introducing, eliminating, modifying, and guiding processes that all individuals and teams are equipped with skills, knowledge and competences required to undertake current and future tasks. Moreover, it arises from a clear vision about people's abilities and potential and it operates within the overall strategic framework of business.

### 2.10. Rewarding (REW)

It is about long-term reward policies and practices that further the achievement of business goals and meet the needs of stakeholders. Reward strategy is an intent in the longer term to develop reward policies, practices that further the achievement of business goals and the needs of stakeholders. Reward strategy also provides a sense of purpose/direction and a framework for developing reward policies, practices. Those are based on the needs of organization and its employees;

### 2.11. Employees Relations (REL)

It is concerning the relationships with employees and trade unions. Organization should know about what needs to be done and what needs to be changed in the ways in which the organization manages its relationships with employees and their trade unions. The REL strategy should be distinguished from employee relations policies due to the dynamic nature of strategies. This strategy provides a sense of direction and give an answer to the question on how we are going to get from here to there. Employee relations policies are more about the here and now. They express the way things are done around here as far as dealing with unions and employees is concerned.

### 3. Selection of suitable human resource development (HRD) strategies suitable for Thu Dau Mot University (TDMU)

The above section has presented main points of the knowledge content of eleven strategies for human resource management that have been identified in the carefully researched literature on both strategy and human resource issues. Here are all of them boiled down to their real and core essence.

*Human Capital Management* strategy, it is all about investment decisions making and creating value added for all stakeholders. As a matter of fact, in case of human capital, it is also important how an organization can capitalize on its human resource's competencies and policies. *High Performance Management* strategy, it is all-out effort in order to keep performance of individuals as well as of the whole organization at the highest possible level in every aspect of business to secure competitive advantage and to support the achievement of the set-out goals. *Corporate Social Responsibility* strategy, it is a long-term strategy used to keep the business sustainable in order to achieve both economic and social-environmental goals, to bring about values and satisfaction to all the groups of stakeholders. *Organization Development* strategy, it is essentially about incremental adaptation, refinement related with strategies, structures and processes; and about responding to changes in the environment both external and internal. The development strategy should be consistent with organizational change and

evolution over long period of time. *Employees Engagement* strategy, it is about how to prepare an organization and its people at different levels and places to go an extra mile to secure a better success or to cope with future's challenges as best as possible for the benefit of the working and managing staff and for the development of organization. *Knowledge Management* strategy, it is about managing and developing the most competitive and most dynamic organizational resource needed in order to achieve competitive advantage; whose key success factors are situated inside the organization, related with its internal capabilities. *Employees Resourcing* strategy, this strategy enables organization to have at its disposal an adequate human resource wherever it needs, whenever it needs and whoever it needs. *Talent Management* strategy is similar to Employees Resourcing strategy but is related to talented people that are game changers who can contribute and make a great difference into the organization. Those are people that organization desperately needs and is looking for. *Learning and Development* strategy, this strategy is in line with the internal development of an organization in general, and of its people working in it especially in order to find out and keep sustaining talent inside. *Rewarding* strategy, rewarding (or otherwise compensation) is often seen as one of important functions of human resource management. If working people in the organization are rewarded poorly then there are no ways for other human resource based strategies mentioned above to be successfully implemented. *Employees Relation* strategy is all about effective communication and proper relationship building with organizational workforce in big picture and wide horizon of time. Beside the eleven proposed strategies that have been analyzed herein, probably many more strategies are out there in the strategy and human resource literature to be discovered, and probably most of them are, to certain extent, more or less similar and associated with the eleven mentioned above.

It is not easy and not reasonably enough, due to many reasons, to discuss all the mentioned above strategies in details in the light of functioning of Thu Dau Mot University. It is better to restrict our scope of analysis to the several important and adequate strategies. In order to do that, we need a set of criteria to select strategies to discuss the barriers and opportunities, achievements and shortcomings so far. We will narrow down our scope of interest in two phases

Firstly, due to recent dynamic and unpredictable changes occurring in Vietnamese education system we are interested in and give priority to the strategies that focus on *soft concepts of human resource management* and that are possible to implement not only in a long term but also in a *medium time horizon*. In line with those two important criteria, HCM, HPM and CSR, ODE, REL are discarded. Here are the reasons behind. HCM is rather a hard concept of (HR) management. It's about investment and creating values on making proper related investment decisions (to capitalize on this kind of capital). The same is HPM whose intention is to maximize the efficiency and performance of the organization's working system regardless social needs and demands. CSR and ODE are soft concepts, but they are too general and can be referred to not only in the human resource management but also in other fields of management. The same is REL, because the human resource is not the only group of stakeholders that organizations have to create and sustain mutual

relationships. Organizations should also do the same with their customers, suppliers and other groups of partners etc. As a result of first stage of selection we have seven strategies remained: EGT, KMA, RES, TMA, LAD and REW. This time we select three strategies out of the seven mentioned, in line with the features of Vietnamese universities and the specificity of Thu Dau Mot University. Comparing RES strategy and TMA strategy we see quite a big similarity between them due to the need of the right people in organization. Universities are organizations where knowledge is created (by research activities) and transferred (by teaching activities), they need talented lecturers and highly academic professors. Comparing to other working groups, they are key success factors/group deciding about the competitiveness of this kind of institutions. That why we choose TMA at the expense of RES. Amongst the six remained strategy we choose TMA, LAD and REW, simply because they are relating to three basic functions of the human resource management: attracting high profile staff (TMA), training staff to fit corporate culture and working environment (LAD) and compensation (or remuneration) (REW). The selected three strategies are also important taking into account the specificity of Vietnamese universities and Thu Dau Mot universities as there are many problems arisen and they need to be discussed and settled to find out suitable solutions to boost the development of these institutions. Hereafter, a procedure/process of strategies selection is illustrated.

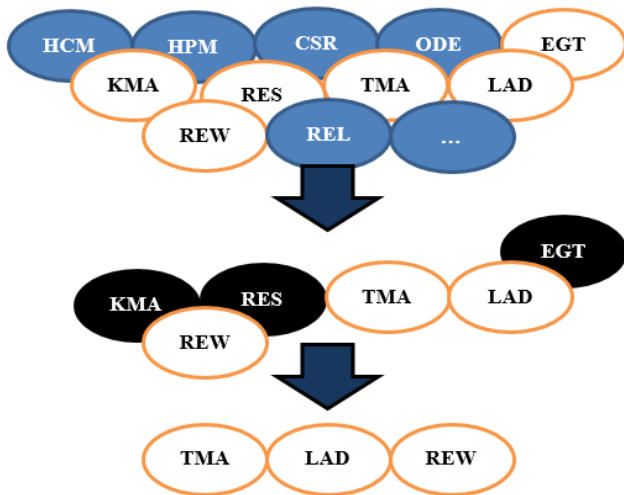


Fig 1

**4. Implementation of selected HRD strategies into the practice of functioning of TDMU-barriers and opportunities**

In this part of the article we will discuss the three strategies implemented somehow by TDMU and assess both the positive and negative results (outcomes) over the past years pointing out to some existing limitations as well as challenges that need to be overcome based on the current situation in the Economic Faculty (EF), one of the largest faculty of TDMU.

Firstly, we deal with the TMA (Talent Management) strategy. TDMU, before 2009 was a College of Education (TDMCE) under auspices of Binh Duong people’s committee (BDPC) with its strengths focused only on education (pedagogy). In 2009 with the initiation and supports of BDPC, TDMCE had been transformed in to TDMU attracting a large highly qualified teaching staff

mainly from Ho Chi Minh city (HCMC). Academic teachers and researchers in different fields of science are those the TDMU was looking for. One of the important attraction policy was an well-known 5 year program started in 2010 by BDPC which guaranteed each of lecturers devoted and committed to work for TDMU at least 5 years a sum of more than 100 million VND at the start (around 100 million VND for master degree holders and 150 million VND for doctor degree holders) and each month a rise in income of almost the same monthly salary about which we will talk about in the Reward strategy. This strategy was done quite successfully, not due to the level of material (financial) attraction that had been offered, but due to strong network connections, internal analysis of TDMU to identify its staff needs and convey the needs message to the academic environment in HCMC. So, everyone in HCMC had known well about this policy program and about the TDMU. After 5 years of implementation, the program suddenly ended (in March 2015). The income of all attracted so far lecturers from HCMC had been sharply fallen (a decrease of almost 50%). In this circumstance, most of the lecturers leave the TDMU and return to HCMC. Frankly most of them were working at the same time in many places, at least in HCMC and in TDMU. Unfortunately, the 5 year program ended in the time when the Ministry of Education (ME) issued a circular to all the universities forbidding their academic staff to work full time in different places in order to guarantee standard and quality of teaching at the universities. The ME had implemented many measures to keep control and monitor the situation very strictly. So, it is not only the fact that most of the academic staff have left, but also the fact that they were forced to leave. This concerned especially those staff with at least doctor degree, because they can find another work quickly and at ease. In my opinion, if the attraction program was to last continually, not only in the 5 year period as primarily designed, the situation would be totally different. The TDMU authority should but did not predict the situation and did nothing in the respect of proposing any preventive measure to act against this fluctuation in its talented academic staff. Frankly, there were talks between the TDMU authority and the BDPC authority but the BDPC authority had kept silence for unknown reason and took no action to counter this situation. TDMU was left alone and after 6 months had put forward its proposal, based on its own budget, to improve a little the economic situation and livelihood of lecturers. But it was too late, many good lecturers have found their jobs elsewhere in HCMC, convenient and close to where they live.

Secondly, we deal with the LAD (Learning and Development) strategy. The academic circle, including researchers and lecturers, especially those highly qualified, with advanced scientific degree, expects from TDMU not only financial benefit but also nonmaterial benefit, such as development and chance to share their knowledge and learn something new from colleagues in forms of seminars and joint publication. They didn’t get it in the TDMU. More than 5 years are on but almost no textbook, no research grant has been issued in order to serve the needs of business community and scientific environment in Binh Duong. All such things are stuck in the middle of nowhere due to very complicated, long lasting, multiphase procedure of review and acceptance. Most of scientists have felt impatient and given it up forever to carry out their research activities elsewhere. That’s why, teaching and researching staff holding PhD degree in

TDMU usually considered that it is impossible to start to get a nomination for Associate Professor title here.

Thirdly, if it comes to the REW (Reward) strategy, there are certain limits and constraints impacting on the implementation of compensation strategy in public organizations including public university like TDMU. TDMU cannot compete on an equal basis with other international universities such as the Vietnamese German University (VGU) and the Eastern International University (EIU) to attract foreign high qualified lecturers, usually from Singapore, Japan, South Korea, Australia and other countries investing significantly in Binh Duong, who are very experienced, very professional and meet international teaching and researching standards of the West. For example, VGU and EIU, due to their independent financial mechanisms, can hire and offer foreign lecturers and experts monthly salaries rivaling or exceeding their expectation in their own countries while TDMU can't do the same.

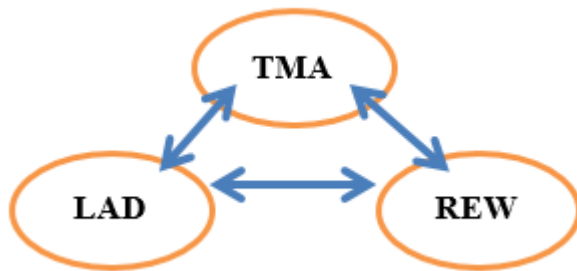


Fig 2

The three exposed human resource strategies: TMA, LAD, REW, as analyzed above, are intertwined and related with each other. All of those strategies should be implemented in a consistent and comprehensive ways to reach maximum synergy effect. The TDMU, due to many of its own limitations and constraints, cannot and in reality didn't carry out those strategies in the ways they should be implemented to make the TDMU stronger and more competitive. According to the experience and practice of motivation in management, talented people needed to be attracted into the organization, where they can learn and develop themselves to self-satisfy and to serve the needs of the organization contributing to its future development, balancing between individual financial and non-financial fulfillments.

As results, due to the limits in the page volume of this article, hereafter are some of the useful and practical recommendations for the TDMU in order to avoid the mistakes of the past, to improve the current situation toward the brighter future in the fiercely competitive map of higher (tertiary) education market in the Binh Duong province. The recommendations are divided in to three groups relevant to the three highlighted strategies:

a) Talent Management strategy (TMA)

- Treat with full respect the currently employed highly qualified academic staff and the academic staff of other universities when it comes to the mutual, inter-organizational scientific contacts and cooperation.
- Redesign talent attraction program to extend its time and spatial horizon in consistent with TDMU's strategy of competition and development.

b) Learning and Development strategy (LAD)

- Reduce horrible existed bureaucratic procedures of revision, assessment and funding of the research projects and products in order to encourage scientific staff to engage in and become more committed in their research works.
  - Boost the academic and scientific cooperation between universities, both international and national ones, both public and private ones to strengthen scientific power and capacity of Binh Duong academic environment in general to become more competitive together.
  - Going regional and, as the next, going international in areas of teaching and research in order to guarantee that TDMU academic staff has reached certain international standards.
- c) Rewarding strategy (REW)
- The compensation level for TDMU's academic staff is currently rivaling with national universities situated in the province but is left far behind the international universities (IEU and VGU). The proposal is the TDMU should implement in parallel the two following teaching and research scheme (with different compensation strategies and approaches):
    - ♦ conducted in English and in an international environment (with closer works and collaboration with foreign institutions) for the English-enabled staff members who is holding at least PhD degree and have studied and lived overseas;
    - ♦ traditional career pathway for English-disabled staff members who are going to retire soon and are not willing to improve their English and academic performance.

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