

On Employment of Local Personnel

by QUÁCH VĂN ĐỨC

In the past decades, the Vietnamese government, in its efforts to develop and integrate the economy into the world market, has reformed its policy on foreign investment, simplify administrative procedures and created favorable conditions for foreign companies doing business in Vietnam. In this period, many American companies have realized business opportunities in Vietnam by cooperating with local partners. And as result, the number of American companies in Vietnam has been on the increase.

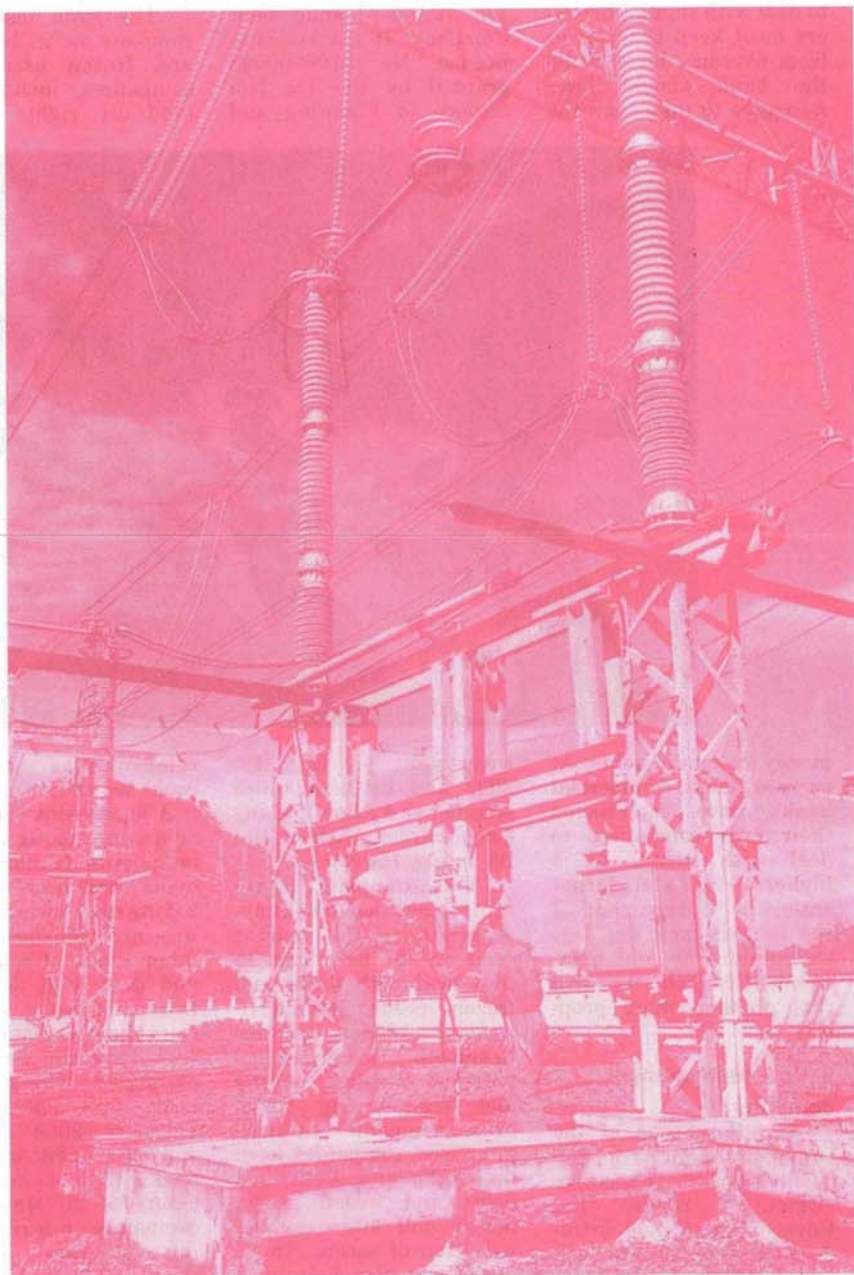
Experience from the past shows that personnel from the host country raise a lot of interest among foreign companies because these laborers usually determine the success of the company. In the past decade, many foreign companies in Vietnam didn't succeed in employing local laborers and faced protests from the public opinion. Causes of the failure are numerous but the cultural difference is the most serious. So they must pay more attention to multi-cultural interaction and conflict between cultures when doing business in Vietnam. I want to present here some personal experience from personnel management and personal interaction in local organizations. I hope it will useful for foreign companies.

Generally, I think a foreign company, an American one for example, must consider many factors when recruiting laborers or selecting partners: expertise, trustworthiness, working habits, etc. This paper, however, wants to present remarks and suggestions relating to differences in behavior and lifestyle of the two cultures in order to reach mutual understanding much needed for the success of cooperation between two sides.

First of all, we must pay attention to differences in cultural characteristics between Vietnam and the West. These differences will affect the personnel management in joint ventures with local partners.

In joint ventures between American and Vietnamese companies, the manager is usually an American

while most employees are Vietnamese. American managers should realize Oriental cultural characteristics and behavior common among local employees when they work together in the company. One of the first remarks by foreigners when working with Vietnamese laborers is that the Vietnamese tended to please others, especially foreign visitors. This behavior may lead to misunderstanding. For example, the Vietnamese la-



borers usually say 'Yes,' to all questions in order to show that they are listening carefully or they understand the question. Facing the question, "Could you deliver your batch next month on time?" a Vietnamese businessperson could answer, "Yes." But the answer only aims at establishing a harmony between two talkers when the businessperson still thinks of a series of problems relating to the delivery of goods. In a similar case, men from the West usually discuss delivery terms before saying 'yes' while the Vietnamese says yes before discussing.

Most Americans have thought Vietnamese people and many Asians didn't like going to the root of the problem and they preferred discussing it at some length instead. In fact, the Vietnamese people sometimes don't believe in what an American coworker says because they think the problem isn't so simple and they only nod to pass the problem. In meeting or conference, the Vietnamese people usually keep silent although they may have a lot of questions about some issue or disagreement with the speaker. This behavior originates from the fact that they are reluctant to confront others, expose themselves to complicated situations, or in short, lose their face. This is a great difference between Vietnamese, or Asians in general, and Western people which has been discussed in many studies.

Power gap is also a problem requiring attention from the Western people. We are not surprised at the small gap between Western employers and employees. The latter can greet, shake hands with and call

their employers by the first names. On the other hand, this gap is wide between Asians, especially the Chinese, employers and employees. The latter must show respect to their employers (nodding in greeting, bending their bodies, refraining from laughing before their bosses, handing everything with both hands, etc.) if they don't want to be considered as impolite.

American and Vietnamese laborers also differ in their handling of problems. Many foreigners feel surprised at vague delegation of rights and duties to subordinates, especially in state-owned companies and public services. The problem is usually transferred from this department to others without solving and nobody takes responsibility for a specific problem, not to mention the red tape. This situation comes from the habit of looking for a consensus when nobody wants to deal with problem by him/herself the way the Western people do. Most decisions to solve a problem usually depend on coworkers of a team. This is a shortcoming common among Vietnamese public services and organizations where the "corporate or collective inertia" affects greatly the decision-making process, which makes many opportunities missed and the machinery less active.

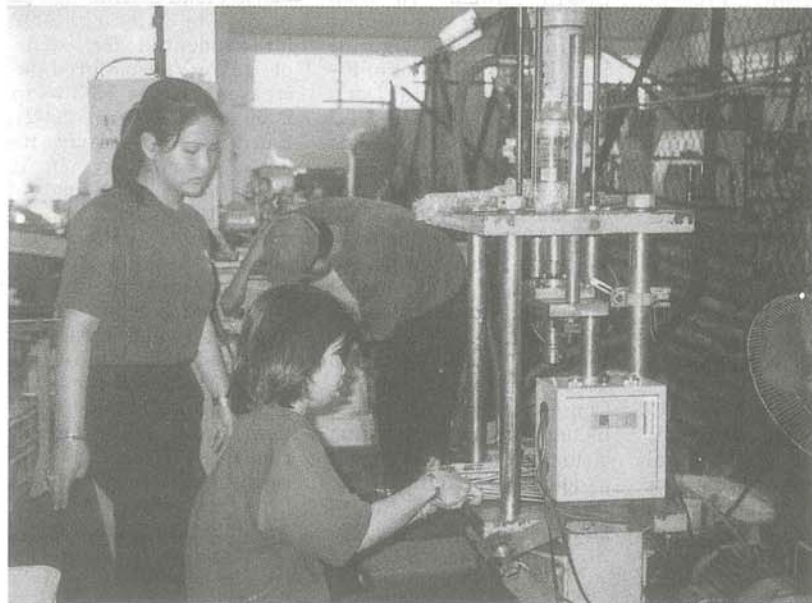
The habits of respecting people in high places and relying on a team among Vietnamese laborers have made many Western managers in foreign-invested companies feel surprised at their strange behavior when facing a serious problem: instead of discussing with their superiors to find solutions, they try to solve

the problem by themselves, and as a result, their solutions are usually ineffective, which make the business more stagnant. This is explained by the fact that Vietnamese workers are reluctant to give their opinions directly and publicly because they are afraid that such a behavior could hurt others. They usually consider authority and division of power in an organization as natural, and they usually suffer stress when relations with superiors are not as good as expected. Western people, on the other hand, usually separate business and personal relations. They could reprimand an employee in working hours and talk cheerfully to that person after the working hours. The Vietnamese people usually consider those two relations as one and spend a lot of time developing it.

The last suggestion is the need to learn Vietnamese language. Foreigners could integrate better into local community and establish a better environment for their contacts with local partners if they could speak some Vietnamese phrases. This language ability will help them pursue business relations. Participating in business workshops and conferences with local companies and public services or political leadership will be more useful and helpful if foreigners understand the Vietnamese language. In fact, some notes compared with local businesspersons or officials in Vietnamese could bring about important information needed for their decisions to a certain extent. Similarly, some opinions exchanged on tennis courts or golf courses, some news from radio, newspapers or TV could prove important and decisive if foreign businesspersons are good at the Vietnamese enough to understand them and apply to their businesses.

Why don't foreigners who choose to do their businesses in Vietnam fail to master the local language when Vietnamese employees working directly with foreign managers should learn foreign languages? Good Vietnamese ability could help them to understand quickly laws and regulations relating to their businesses and work out appropriate policies on personnel.

In short, American companies in particular, and all foreign companies in general, should pay more attention to local lifestyle, culture and social conditions if they want to be successful in Vietnam because, as the saying goes, "When at Rome, do as the Romans do."■



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