

# Industry - University Alliance

## the Case of Higher Education in Vietnam

by Ass. Prof. Dr. NGUYỄN ĐÔNG PHONG

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### Introduction

In 2006, Vietnam became a member of the WTO. This event opens out both opportunities and threats to Vietnamese enterprises, thus requires them to better plan for their human resource which is always one of determinant factors in global competition.

In which, highly skilled labor force is the most important one for sustainable development and also the basic input for industrialization and modernization process. Providing such a factor of production is one of the two most important duties of universities, the other is doing research for academics and application.

Forecasting new training roles and responsibilities of universities for supplying qualified human resource, many Vietnamese universities have kept on creating feasible solutions to improve training quality, to enhance research and to transfer technologies towards economic development. However, linkages between universities and industries still have some limited sides and not been built up to match their sizes and potential. This paper, therefore, aims at (1) reviewing joint activities between Vietnamese universities and industries, taking real examples from University of Economics, Hochiminh city (UEH); (2) analyzing factors that impact on de-

veloping their relationships and (3) suggesting some solutions to develop the relationships.

### 1. Reviewing joint activities (JAs) between Vietnamese universities and industries

#### 1.1 Brief introduction about training in Vietnamese universities

In recent years, many universities have invested in changing teaching methods, building new curricula and updating the current ones. The Ministry of Education and Training has also developed advanced curricula in science and technology, economics, business administration and agriculture at nine universities under its direct management. Some universities have made enough efforts to build and run training programs in English at both undergraduate and graduate levels.

1.2 JA in degree training: in order to better carry out the JA goal, Vietnamese universities have implemented these JAs

#### 1.2.1 Organizing skill training courses for students

Along with basic knowledge that students learn in classroom, skills and tasks at work are practical knowledge and training needed by students to integrate into new workplaces more quickly. Therefore, UEH, as an example, has collaboratively supplied many skill training courses to students. Some typical courses are: office skills, communication skills in business, planning skills, team working skills, and presentation skills. These courses, which help students gain practical experiences, are connections between university, students and business.

#### 1.2.2 Teaching knowledge in practice for students in Extra Curriculum Programs (ECPs)

To increase practical knowledge and to optimize learnt knowledge by applying into real business cases, some universities have invited representatives from business as visiting lecturers in ECPs, especially in those for major students. Core content of these programs includes real business issues which students have to apply their knowledge to solve. ECPs are very helpful to improve "liveliness" for student learning, to increase their creativity and activeness.

#### 1.2.3 Organizing forums and interactions for students and business people

Discussion is the best way for both business people and students to exchange professional information. Universities set up many forums and discussion events every year for students with themes like: strategy for business development, trends in recruitment and training by business, and real working experience in business sector. Besides, students are encouraged to visit and talk with people in enterprises of any kind (state and foreign owned, private and joint venture companies)

#### 1.2.4 Career planning assistance activities

Career planning for students is a nonstop activity of universities. In addition to vocational programs for high school students who want to go to university, the university pays very close attention to organizing career planning activities for students during their learning time.

This involves many assisting activities such as: identifying ca-



reer goals for students before selecting their majors; forecasting employment prospects and labor demand; supplying information about job seeking skills, recruitment trends, working environment and career development. Some or most of these activities are integrated in events such as: business introduction programs, and seminars for students and trainers and training business.

#### 1.2.5 Organizing academic contests

Academic contests are perhaps the most attractive activity to students. Contest is a way to evaluate student ability to understand and apply theories into the reality and also helps students to apply their learnt knowledge into real business context in a creative way.

UEH has carried out many contests in collaboration with business, such as Dynamic - Student: the Future Business, To Be a Talented Businesspersons, Chief of Financial Officer (CFO), and Marketing World, etc.

#### 1.2.6 Scholarships and support for student life

Some universities have done very well in calling for contributions from organizations and individuals to support students in learning and living. Typical programs are: scholarships for students with excellent performance, for students with difficulty, and part-time jobs for students, etc.

#### 1.2.7 Recruiting and internship programs

In order to meet the higher demand for skilled labor from businesses, universities have set up many recruiting and internship programs. Students also benefit very much from these programs.

Universities like UEH, Polytechnics University in Hochiminh city and Foreign Trade University cooperate with MNEs or large companies that

have demand in for human resource to provide to students with internships, scholarships for out-of-country internships, and recruitment opportunities for seniors.

Students selected for these programs will be trained professionally and assigned real tasks when they actually practice in the business. When the internship finishes, students who are qualified enough to work at the business will be normally recruited with very high pay.

#### 1.3 Designing training courses for business

Some typical programs in UEH and other universities are:

- Many universities have signed cooperative agreements with companies such as Intel Products Inc, Vietnam or with administrative organizations like Vietnam Chamber of Commerce and Industry (VCCI), and General Bureau of Tourism.

- In UEH, there is a program, namely 1,000 - director training program, for those in Hochiminh city. Between 2001 and 2005, UEH trained more than 1,500 managers, and most of them are business directors. Similar short-term training programs are frequently organized by UEH (via its institutes and centers), such as Chief of Brand Officer Training; and Training for CFOs, CEOs, etc. Some universities have also cooperated with Japanese companies to train Vietnamese technicians and nurses and send them to Japan for practice and work.

- Business Hotline Program: this is a kind of information and research findings transfer program in UEH which serves business and community. Research findings, recommendations and policy news have been disseminated in radio and TVs on a monthly basis since 1999.

- In academic side, many universities publish academic re-

views in Vietnamese and English where theoretical and practical issues in scientific research are exchanged with researchers in business sector.

#### 1.4 Research for production and development

To work more closely with businesses, many service and application centers or institutes have been set up. Many strong universities are often required to do research for business and other organizations. The research may be on a particular issue (such as market research) or on larger and more complicated ones (industry or regional development planning). In technical universities, researches may be on issues that relate to production or machinery operation and design. According to a report from the Ministry of Education and Training, in five years between 2001 - 2005, universities in technology and agriculture - forestry fields have signed and implemented 10,500 contracts in technology transfer which valued at VND1,000 billions US\$60 millions), including VND20 billions in VAT tax and 15 billions as donation to universities (Source: MOET).

By regular surveys, some Vietnamese universities have also kept up with business demand for researches and been able to support them in doing and developing business by providing consultant services.

#### 1.5 Some comments on JAs

- Strengths:

- + By connecting with industry, universities can update and add up practical knowledge into their curricula for a better response to social change in requirements for graduates.

- + Business interactive programs create connections between students and business and allow students to identify their goals of learning more rationally, thus students can learn actively on their own.



+ Connections are organized not only in university level, but also in the class one. This not only brings about very dynamic learning activities but also attracts many students and receives a very high appreciation from them as well.

+ Students can learn practical knowledge from businesses.

+ Businesses can solve their problems in doing business in collaboration with universities, recruit newly graduated students, and have adequate information about university curricula.

+ There is a cooperative and familiar environment which involves universities, businesses and students.

- Limitations:

+ Many universities do not have strategies for developing and exploring connections with business. Therefore, some programs are run satisfactorily but not very effectively, resources from business (expertise and funds) and university (research resources) are not fully utilized.

+ Activeness of universities and some business, esp. state-owned and local ones, is still limited. Most of connections are with foreign-owned business (joint venture or 100 % foreign-owned).

+ Some newly-established universities, because of lacking qualified lecturers and even students, concentrate on training activities mainly.

+ There is no or very few policy, both national and local level, to promote universities to design their curriculum based on demand from industry, therefore the number of businesses who maintain permanent connections with universities is not as many as expected.

+ Result from research and technology transfer is still 'modest' in comparison with capabilities of universities and invest-

ments from the government, or with business needs.

## **2. Analyzing factors affecting relationships between universities and industries**

From our research findings, followings are some generalizations about factors that influence development of university-industry alliance:

- Activeness and autonomy of universities: this is the most important factor. If there is enough recognition by universities of the importance of the connections with industry as a result of self-management, relevant curricula and research would be planned and carried out.

- Interests of business: university - industry relationship is reciprocal. In fact, business that appropriately acknowledges this relationship usually and actively takes part in training process in universities with different roles stated above, contributes resources and gives feedback information. Business also benefits from this relationship in terms of human resources and applied research.

- Important role of government, especially the Ministry of Education: Government facilitates development of the relationship by motivating business to make connections with universities, by awarding policies for businesses and universities that have effective relationships.

- Existence of professional bodies in both universities and business: in reality, existence of professional bodies in universities or business has been proved to be a successful factor for those bodies (offices or centers) that will act as linking hubs, for universities and business are not very similar in terms of strategic goals.

- Important role of alumni: well established universities like UEH have usually had hundred

thousands of alumni, many of them are now holding important positions in business world and may be 'connectors' between the university where they had studied and the business where they work.

- University attentions to students' needs: universities that really pay attention to students' needs in seeking jobs after graduation will strongly promote the connections with businesses. Those universities will take students opinions (before and after graduation) into account when they build and improve their curricula in favor of students' career in future. For those students who have research ability, universities should orientate their research to business issues under supervision of skillful lecturers.

## **3. Some solutions to develop the relationships**

### **3.1 For Vietnamese universities**

Based on the above review of JAs between university and industry, and by analyzing factors that influence university - business relationships, Vietnamese universities need to focus on the following activities in order to further develop the relationships:

#### **3.1.1 In training**

- Enlarging and improving universities - business collaborative activities through contracts. Universities can: (1) design and operate training courses as required by business; (2) recommend students to businesses for internship and professional training; and (3) promote involvement of business in student training at universities via skill training programs, guest speaker presentation, talented youth developing program, academic contests, and job exhibition days, etc.

- Increasing academic cooperation with other qualified and well established universities in



the world in order to improve the training quality that meets business requirements and development of Vietnamese economy. One example is to promote exchange of students with foreign universities.

- Promoting career planning for students: students must be encouraged to actively choose their majors and minors.

- Periodically interviewing students, especially sophomores; and businesspersons about particular training needs for each major, about curricula and knowledge, and skills that best serve students and businesses.

- Encouraging faculties and departments in universities to regularly exchange their training goals, their majors and minors (adding new training minors, giving up inadequate majors); their courses, etc, with their colleagues. There should be policies to improve student projects and theses.

- Improving the teaching and learning methods, especially learning-centered methods, upgrading teaching facilities and enhancing English programs. In improving process there should be involvement of businesses.

- Setting up and investing in centers that provide employment services for students. These centers will keep students informed of labor market and training needs.

- Setting up centers in charge of JAs in universities where there is no such a body, regularly organizing training conferences participated by every industry, building an alumni website and encouraging them to take part in JAs.

### 3.1.2 In research

- Developing joint researches with businesses to solve 'real' problems in doing business or in production, and encouraging lecturers and students to apply for



such research contracts from businesses.

- Promoting establishment of advisory centers and assisting them to operate and vice versa.

- Inviting representatives from businesses to take part in Training and Research Councils of universities.

### 3.2 Suggestions to Ministry of Education and Training and other government organizations

- To ensure effective JAs, there should be a governmental organization that works closely with businesses and provides qualified forecasting reports on labor needs from businesses. This will help universities to build adequate curricula, and actively make plan and carry out training and research activities.

- Allocating funds for research more effectively, concentrating on researches for training and industry development.

- There should be consistent policies (both managerial and financial) to support and encourage JAs in businesses and universities. Businesses are allowed to donate money at some percentages of their revenues to universities.

- To implement these suggestions, the most important condi-

tion is to allow universities, especially state-owned ones, to be autonomous in management and finance.

### Conclusions

Training human resource of high quality and promoting researches in universities in order to response to industry development are very essential to every Vietnamese university. There should be diverse JAs which must be detailed in universities' strategic plan for training and research. Businesses also need to pay more attention to JAs with universities in order to help develop each other in terms of human resource. ■

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