

# Human Resource in Enhancing Competitiveness Of Enterprises

by MEcon. ĐÀM XUÂN ANH

## 1. The economy and the role of human resource

In the economy in general and in each enterprise in particular, there are three factors of manufacturing process that are vitally important. They are labor, capital and facilities. They also are factor inputs affecting the quantity, quality and cost of products. Among those three major factors, human resource is the most significant and plays a decisive role in the success of an enterprise and the development of a country.

Over a long time, the development of the world economy has proved that human is an essential element not only in management activities but also in other fields such as organizing, manufactory and trading, researching or inventing. In any enterprise, if there are people who are enthusiastic about their jobs, have a sense of responsibility, dare to be responsible for the jobs, be active and creative. Every enterprise's problems of organizing and manufacturing processes, or even looking for new market, will be solved well. Succeeding in doing so, the enterprise could make good products meeting market's requirement, high quality at low cost products and create competitive advantages.

Human resource in enhancement of enterprise' competitiveness is extremely important. This has been presented in many documents and research on the establishment and development of many enterprises which then became large corporations in the world. They in-



Photo by Huynh Tho

dedicate that human is a crucial factor among others that could enhance competitiveness of enterprise. It is also an answer to the question why many Asian countries such as Singapore, South Korea, and Japan etc. which are not rich in natural resource and do not have initial advantages like developed countries can take wonderful steps to become economic dragons in Asia. Did these countries promote their only competitiveness – the human resource, the source of knowledge and creativity.

Human resource is a special factor among many factor inputs of all economic activities. Human resource is different from other resources because it is a motivational factor that guarantees the success of every trading and manufacturing activities in each enterprise in particular and in the economy in general. In addition, it is also the target of develop-

ment that enterprises and society are aiming at. Therefore, to promote the activeness of human resource thereby improving the competitiveness of each enterprise; we should pay attention to enhancing the quality of human resource and creating favorable conditions for the human resource to play well its role in the new age.

## 2. Training, retraining and enhancing the quality of human resource in enterprises

How to bring into play the key role of human resource in enterprises? It is essential to create the conditions for human resource to contribute more and more to enterprises and society. We should also concentrate on human resource including direct labor and the management of all levels, and create good conditions for them to learn, or take training, retraining and advanced training courses.

In the burst of information technology, updating knowledge constantly is a must. Especially in these days when the development of all countries is arming at the knowledge economy, the whole society is continuously studying, training and enhancing knowledge. However, it is necessary to point out the essence of training human resource at two levels: human resource training in general and talent cultivation in particular. Human resource training is to generalize basic and common knowledge. It should be suitable to each level and satisfy widespread needs for development. Talent cultivation aims at forming an excellent staff and leading officers in many industries who have enough knowledge, brainstorming skills, independent thinking, creative ideas and are capable of fulfilling duties given by society or are able to reach the top of new scientific technology. To en-



hance competitiveness of an enterprise, professional training is very significant because it is the birth of a good management team. In the international integration trend, we should not only concern cheap labor force, but also keep investing in improvements in the quality of human resource.

In fact, there are many enterprises investing a lot in facilities and having big starting capital but still they do not work effectively. In contrast, some enterprises start up with poor facilities and lack of money but finally they have successful steps. Human is the decisive factor here. If enterprises have good leaders who are methodically trained, they will understand and find out what is the real problem of the enterprise – the problem of human resource – and then they can clarify the aims and objectives of the work which need to be achieved so as to enhancing competitiveness of the enterprise. It is also worth noting that human resource training should not be carried out with formalism. In other words, that

means enterprises should not only pursue the quantity, but also pay attention to training quality.

When providing specialized training for staff of enterprises, we must select right people and skills that are necessary to enterprises. Trainees must have high comprehensive ability and are fond of studying. Besides, supporting tools for training process should be invested correctly such as preparing good teaching plans and training course, and updating new knowledge frequently. In addition, it is vital to improve and innovate teaching methods so that the content is more practical and satisfies demands of the developing economy. Facilities for putting theories in practice should be as modern as machines and devices employed in factories.

Professional skills training should be in parallel with moral education and physical training in the new age. Well-trained human resource will be a force motivating the development of enterprise in particular and the economy in general.

### 3. Creating favorable environment for the human resource to reach its full potential

To enhance the competitiveness of enterprises through human factor, we need to create favorable environment for human resource to promote its potential and creativity, and contribute more and more actively to the development of enterprises. Besides training, there must be better treatment and compensation, and pleasanter environment to make employees trust in their jobs. When the human resource can really be attached to the existence of the enterprise, they will do their best to improve, upgrade, adopt new technology, promote creativity, create high quality products, increase productivity and lower production cost. Products of the enterprise would have a stable position and be easily accepted by the market. That is the process in which enterprises could constantly enhance their competitiveness in the market.

Another point should be mentioned is the matter

of salary. Therefore, income and salary policy is always the major policy in each enterprise in particular and the country as a whole. The matter of salary is put not only to create good conditions for human resource of enterprise; to work without worry about salary, but also to enhance competitiveness of enterprises. While the country is still not very wealthy, we should make use of advantages of labor to enhance competitiveness. However, cheap labor usually leads to low productivity, low quality products and poor performance. Moreover, in the general trend of integration into the world economy, consumers tend to be ready to spend more on high quality products even though they could be much more expensive.

For those reasons, we can affirm that to enhance competitiveness, enterprises must focus on human factor in their long-term development strategies. We can conclude that human resource is the crucial resource that decides competitiveness of enterprise. ■



Photo by Huynh