

Human Resource in the Enhancement of the Competitiveness of Vietnamese Businesses in the International Integration

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In order to exist and develop, each business needs to have three factor inputs which are the human resource, the financial resource and the machinery and equipment. These are the factors which decide the quality as well as the production cost of goods and services. Among those major factors, the human resource is the most important one.

This has been asserted in the standpoint of our Party and State: "The human being is the objective and the main motive of development," and "the human resource and the Vietnamese people are the advantage, and the most important resource for socioeconomic development in our country."

In reality, it has been found that the main resources are the essential part to all activities, from running businesses, researching, discovering and inventing things... In any organization, if there are people ardent with their jobs, dynamic, daring to think and to act, to bear full responsibility for their jobs, every problem of the business such as looking for the market, deciding to select the product and technological equipment for production, choosing the investment priority to any stage of production and distribution process will be well solved. Thanks to this, the business is able to manufacture highly valuable products with low expenses – this is mainly the competitive advantage of the business.

The human resource in the enhancement of the competitiveness of various businesses is extremely important. This is the reason why many researchers and consultants in the operation strategy of various businesses have considered the human resource as a decisive factor in series of factors affecting the competitiveness of businesses. Many Asian countries such as Singapore, Korea, and Japan, etc... have developed very quickly while they don't have rich natural resources and their initial conditions were inferior to those of developed countries. Have they brought into play their unique competitive edges? That's their human resource factor – the source of their know-how and their creative power.

The human resource is an essential part, a special factor among inputs of every economic activity. It's different from others because it's a driving force assuring the success of the corporate activities in particular and of the whole economy in general; it's concurrently the objective to serve that businesses

and the entire society aim at. Therefore, to let this factor bring into play its positive trait in the enhancement of the competitiveness of each business in particular and of the whole economy in general, three following matters should be paid attention to:

- First, how to bring into play the dynamic force of the human resource, and create conditions to help the human resource play a role that is more and more important in the business and the economy? In creating conditions to help the human resource develop, special attention should be paid to the direct work force and the management at all levels, and programs to help them to learn, to be trained, to be re-trained and take advanced training courses.

In the present knowledge-based society, it's essential to keep upgrading knowledge, especially in this present stage while the development of every country is aiming at the knowledge-based economy – an intellectual society which doesn't cease to learn, to undergo training and to enhance knowledge. However, it's also necessary to fix the necessity of training in two lines: training the human resource in general and training the talent in particular. Training the human resource aims at disseminating basic knowledge at different levels, appropriate for the demand of extensive development; while training the talent aims at forming an army of good managers, and top ranking leaders in each sector so that they can acquire enough knowledge and thinking ability and can think independently, with creativeness and good ability, and assume all tasks that the society will assign them or to keep abreast with the latest technological advances.

To enhance the competitiveness, the intensive training is extremely necessary because this can create skilled workers and good managers. In the present economic integration, we cannot rely on cheap labor only; and we must invest more in the quality of the human resource.

In reality, it has been found that many businesses with good facilities and huge financial sources couldn't gains good business performance with some others on the verge of bankruptcy have managed to change their stringency. Is the human resource the key factor? Once there are good leaders who are aware of and can grasp the essence of the matters, they can work out targets to meet to en-

hance the competitiveness of their businesses and concurrently to create conditions for achieving these targets. This is why the training cannot be carried out as a formality, aiming at producing as many graduates as possible, but their quality should be emphasized.

To train intensively, proper trainees should be selected and they should be trained in accordance with their careers as required. The trainee must be able to absorb his lessons, and fond of learning. Besides this, training aids should be satisfactorily invested such as curriculum and teaching plans and updating of knowledge, and improvements in the teaching methods with a view to making the training courses practical and suitable to demands posed by the ever-changing economy; facilities for practices should also be as modern as machines employed by various businesses.

Together with the intensive training is the ethical and physical education for the new generation. The human resource well trained in these aspects will push up the social development.

- The second problem with improvements in the competitiveness based on the human resource is how to make the best use of the talent in order to first develop an excellent leadership. This is an essential to the international integration process. The competition in the WTO community takes places in two levels: national and corporate ones. Governments and statespersons also engage in it because many efforts require their indispensable contributions based on their duties and rights. As for Vietnam, the role of the leadership is even more important because they control not only all powers but also all resources. The Vietnamese government can introduce laws and policies which the people have to observe, and allocate and make decisions on all material resources of the greatest importance of the country. The leadership must know how to work out policies and laws to encourage the society to develop properly, and at the same time, allocate resources in an optimal manner. The leadership must be good not only at working out and directing implementation of policies, but also at taking a right vision and succeeding in training and making use of the talent. Leaders may not have as better education or expertise as their subordinates but they mustn't less intelligent and moral than their subordinates are. In such poor countries as Vietnam, making the best use of the talent means not only employing good scientists or high-ranking managers, but also appreciating and encouraging intelligence, initiatives, skills and experience of any people from any walks of life. In addition, making the best use of the talent also means providing them with both preferential treatment and important duties. Giving preferential treatment without

assigning important duties is a waste of the talent; and assigning important duties without preferential treatment will end in loss of the talent.

At the corporate level, the talent is also an indispensable factor in the international competition. As a historical legacy, Vietnamese people are usually better at struggling against foreign invasion than at competing against foreign rivals in the economic field. To succeed in the international competition, local businesses must be very active and creative. They must have long-range visions and ambitions instead of getting content with initial achievements. Among businesspersons, cooperation is not contrary to fair competition because it leads to a "win-win" situation with which both the cake and its shares are bigger. Why there are no strong and attractive trade associations is a big question the business circles have to deal with. They must say no to the way of doing business based on "good relations," or "nepotism," and must restore the tradition of struggling against common rival by building the solidarity.

- The third matter with the role of the human resource in improvements in competitiveness of the businesses is to solve the wages system satisfactorily. In the scope of the whole society, the wages are considered and placed in the income distribution, the relation between production and consumption, the relation of exchange and so the income and wages policies are always the most important points of every country.

The wages matter should be raised and dealt with properly in order not only to create conditions for laborers to work with their mind at peace but also to help businesses to enhance their competitiveness. In such poor countries as Vietnam, the competitiveness is usually relied on cheap labor, but this factor often leads to low productivity and performance. Furthermore, in the present trend, people are ready to buy an article with higher quality although its price may be higher. So this means that to enhance the competitiveness, it is imperative for us to concentrate on the human resource in the long-range development strategy.

A foreign strategy consultant said, "If the race only relies on the advantage of cheap labor, it is the one to see who will be the poorest in the longest time." The race on the one hand will create a tendency to pay low wages to workers and on the other hand, it will also put that country in opposite position to poorer countries, and this will cause a delay in the course of creating prosperity for a country. This is also a point worth thinking about when trying to enhance the competitiveness of businesses in particular and of the economy of Vietnam in general in the integration into the regional and the world markets.■