

# University - Industry Workplace Competency Training Partnership in Vietnam

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**T**here has been a growing presumption, expressed in Vietnam's business media, that recently hired local university graduates do not possess all of the workplace competencies required of new employees. These new hires may enter the workforce with excellent computational skills and with a broad-based education augmented with industry-based knowledge--but yet lack some level of workplace competency. In an article written in the business section of Thanh Nien Daily, entitled *Education Fails The Nation*, the author states that universities are "not producing the educated workforce that the nation's economy and society need". Employers have a natural expectation that new hires should be able to fulfill their position responsibilities from the first day on the job. Universities have in turn invested years of time and talent in the education of their graduates and also expect that their recent graduates are prepared to contribute to the social and economic well-being of the country. Since universities and employers have mutual work-place expectations for recent graduates, it is in their shared interest to develop a competency-based training partnership.

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Companies spend a considerable amount of resources identifying and selecting the best qualified university graduate--optimally this would mean an employee who does not need significant retraining. In a report released last year by the World Bank entitled, *Putting Higher Education to Work: Skills and Research for Growth in East Asia*, Vietnamese employers expressed their concerns about the workplace preparation of new employees. "According to the report, Vietnamese employers find a lack of communication and English skills as well as practical knowledge about one's job in newly hired graduates. Skill gaps

are found to be significantly larger in technologically intensive sub-sectors, constraining technological improvements and innovation" (Thanhniennews.com, October 26, 2011). These skill gaps could possibly have developed due to an educational disconnect between the ever-growing expectations of organizations within Vietnam and the country's universities current capacity to fulfill the demands of the labor market.

This vocational reality is not an indictment against the educational outcomes associated with Vietnam's universities and colleges. Nor is it a criticism of companies in Vietnam for being

too demanding for employment-ready university graduates. There is an evident gap that needs to be bridged through a partnership between higher education and Vietnam's businesses. The demands placed upon higher education in Vietnam are increasing at a rate that is outpacing the years of study associated with an undergraduate degree. Many of the universities and colleges in Vietnam are capable of meeting the country's basic needs for an educated workforce. The challenge is in meeting the job-specific vocational requirements of so many industries within the country.

As business opportunities

have expanded in Vietnam there has been a comparable increase in the demand for well-qualified optimally-trained candidates for hire. Candidates who have been prepared for employment opportunities through their academic degree programs at local universities or colleges. Unfortunately the truth is that not all graduates enter the workforce with equal ability. Expecting any new employee to immediately contribute to his/her organization's operational goals is an optimistic assumption. Some new hires will possess excellent communication skills but may be weak in task-specific abilities. Other recent hires may have excellent work histories from other employment, but may lack knowledge of their new area of responsibility.

Reasons for unprepared graduates range from an acknowledged shortage of qualified university teaching staff to a systemic restriction on student mobility to and from academic disciplines. The number of college-aged students has risen greatly in the past three decades, but the number of qualified teachers has not kept the same pace of increase. "Since 1987, the number of higher education students has jumped 13 times but that of teachers has lagged behind, rising just 6 times, according to the Ministry of Education and Training", (Thanh Nien Daily, October 3, 2009). It is suggested by the Ministry of Education and Training (Resolution No. 50) that teacher quality and quantity is a significant challenge facing higher education in Vietnam. In response, many schools are unilaterally developing



practices to improve teacher preparation as well as to upgrade teacher-to-student classroom ratios. The continuous improvement of university teaching is intended to increase the educational outcomes of each graduating student and prepare them well for their future contributions to society and the economy. But there remains one factor which may play a more significant role in determining the workplace readiness of university graduates.

The restrictions placed upon the selection of academic areas of study limits the flexibility associated with a student declaring a major. Students who wish to study with a specific faculty or area of interest are first required to pass a university entrance exam which is directly related to that major. The current entrance exam, which is divided into five separate groups of exams (A, A1, B, C, and D1-6), is the main determiner for student admission among the public and private universities throughout the country. Once a student has achieved an acceptable score--the floor score--on a group exam and has been accepted by a public university, he/she will remain in the respective

academic major throughout the entire undergraduate program. Some universities will allow a student to change a major within an academic discipline, especially if it was also covered within the group testing. But if a student wished to change majors outside their initial academic discipline the university would likely require the student to re-test in the appropriate group and be re-admitted to a university offering the new major--basically starting university once again at the beginning.

The current university testing/admission system does not provide options for student doubt or academic exploration since testing outcomes determine the major areas of study available to each student. Uncertainty is not an option. Expecting a 17 or 18 year old to definitively state an occupational field to pursue for a lifetime of work is inherently subject to error. Restricting the movement of students to and from major areas of study throughout their years at university prevents them from developing interests in other fields. Such a limitation on educational choice will ultimately lead to deficiencies in occupational fields of interest effecting the human resource options of businesses in Vietnam. Further restrictions on student academic movement are promulgated by the use of state endorsed quotas. These quotas provided to each university--public and private--limit the number of students for each major area of study. Such a quota system will limit the ability of universities to quickly respond to the social and economic needs of a growing country by either expanding seat

capacity for in-demand majors or reducing declining majors.

Centralizing the control of educational choices could produce bottlenecks in academic majors where student numbers could become abundant in one field and minimal in another. This is already occurring in the field of technology. In the August 7, 2012 edition of the online newspaper VietnamNet Bridge it was noted that “Fewer students are enrolling in technology studies although the demand for trained staff in the field is high.” In 2010, “the number of students studying economics-related majors accounted for 27 percent of total students, some important majors including agriculture, forestry and fisheries could not enroll enough students” (Vietnam News, January 12, 2011).

The current system of university entrance examination is scheduled to end in the year 2020. In its place will be a system emphasizing admission criteria based upon a student’s high school program. This reform of the university admissions process should provide greater flexibility for those students who want to explore other areas of study, but the reform is still eight years away. As a long-term solution the reform of the admission process could result in more academic flexibility among university students, ultimately producing a more capable graduate. A long-term solution will unfortunately not alleviate the perceived lack of competent university graduates entering today’s workforce. Such a challenge will require an immediate solution.

One solution involves the acceptance of current university

graduates as academically qualified employee candidates who require some level of organizational training to achieve workplace competency. Dr. Peter Cappelli, a professor of Management at the Wharton School (University of Pennsylvania), has suggested that organizations “need to drop the idea of finding perfect candidates and look for people who could do the job with a bit of training and practice.” Many companies view employee training as a continuous requirement directly associated with business success. “Most executives these days explicitly state that their people are their greatest corporate asset. And if people are going to be a company’s greatest asset, then they have to be working in a way that enables the company to gain a competitive advantage in the marketplace” (Merritt and Wolfe, 2011). “As corporations are responding to increasing competition and a turbulent global economy, they are recognizing the growing importance of employees as a strategic asset” (Caro, Mary Ellen and Hamilton, Sylvia, April 8, 2009). Developing the intellectual capacity of employees, through training, is an exemplary means of valuing these organizational assets. Rather than waiting for recent university graduates to develop on-the-job competencies those organizations seeking to maximize the intellectual assets of its employees—for the economic benefit of the organization—will actively pursue the best training options.

For many organizations, even those with internal training divisions or corporate universities, the best training option will involve

an instructional partnership with a local university. Why would an organization partner with a local university to help train employees, some of whom that very university had recently graduated? Is it logical to assume that a company would want to partner with a local university to continue the educational process of these recent graduates? The simple answer to both questions is yes.

Yes, it is logical to assume that an organization would partner with a local university to expand the educational experience of their recent graduates. It is impractical to expect that each university graduate—regardless the reputation of university—would be trained on the workplace nuances for each industry or company in Vietnam. Such specificity of training is the ultimate responsibility of the company. But it can become a shared opportunity with a local university. Local universities have expertise in both faculty knowledge and in the development and delivery of educational programming. An organization’s internal training unit will likely have the ability to transfer specialized knowledge, vital to the successful development of workplace competencies, amongst all its employees. Coupled together the local university and the organizational training unit will present a formidable training force.

The university, even with its assignment of faculties and major areas of study, is by nature of its mission, vocationally limited. For example, a recent graduate who majored in finance may have focused his/her study on market-based profit centers, but

is hired initially in a position with an international non-profit non-governmental agency. Even though this finance graduate possesses excellent knowledge and skills in a very broad area of finance, he/she may be lacking in some of the vagaries of finance with a non-profit. To prepare this finance graduate for all vocational options within this major area of study would require additional years of coursework beyond the baccalaureate level. This would impractically delay a student's entry into the workplace creating a shortage of qualified workers for numerous companies. The targeted training which is offered by an organization's training unit bridges the acknowledged knowledge and skill gap and prepares the recent graduate for his/her new assignment.

The current system of preparing educated citizens for the country and employment, needs to consider supplemental forms of instruction. The university educates an individual according to the instructional requirements associated with a chosen academic discipline with graduation guidelines as currently established by the Ministry of Education and Training. The organization in turn hires the recent graduate and then continues the education process by adding knowledge and skills that are pertinent to that industry. If the knowledge and information that is possessed by the organization was continuously available to the local university it is feasible that industry-based training could be diminished. Universities are very sensitive to the premise that their graduates are not well prepared

for the workforce and would likely accept instructional innovations that would expand educational partnerships with local industry. Local industry could help alleviate the university--industry knowledge and skill gap through expanded educational partnerships with local universities. The benefit to industry of such partnerships is a better prepared workforce and perhaps greater efficiency in the training process.

Some organizational training units (some of which have been developed into what is termed corporate universities) are not able to develop all of the programming that is necessary to fulfill the ever increasing training needs of the organization. As a means to accommodate the additional learning needs of organizational employees, corporate universities will often maintain a stable of qualified independent educational contractors as well as form programming partnerships with academic universities. "Many Corporate Universities pursue collaboration with Traditional Universities and have to partner with established Traditional Universities to offer transferable higher education credits toward degrees. It is also believed that the growth of the global economy and the rapid pace of emerging technology "accelerated the development of partnerships with higher education in the late 20th century and will continue in the foreseeable future" (Caro and Hamilton, April 8, 2009).

From an historical perspective the development of corporate universities or company-based training divisions was a means

"to fill the gap between corporate demand and university supply" (Li and Qiao and Sun and Wang, 2008). A number of researchers examining the rise of corporate universities believed "that the failure of traditional universities to provide qualified and skilled workforce to match industry needs was one of the major contributing factors to the phenomenal growth of corporate universities"...when traditional academic universities "did not meet the business demand in the workplace, Corporate Universities as a new source and a solution emerged to meet the challenges" (Li and Qiao and Sun and Wang, 2008). Even though corporate universities originated to overcome industry knowledge and skill limitations of university graduates, many corporate universities have "formed partnerships with Traditional Universities to access external expertise" (Park and Oh, 2011). University--industry training partnerships have worked well in other countries but would they work in Vietnam?

Some companies in Vietnam already have developed functional training partnerships with local universities. How extensive and pervasive university-industry educational partnerships have become is not widely known. Equally obscure is the direction in which the partnership favors. Do local universities initiate contact with industry and deliver contracted instruction on-site? Or does industry initiate the contact with local universities and transfer knowledge through development of joint training programs?

It would be very helpful if a university--industry sponsored





survey could be conducted which would identify those companies in Vietnam which are already partnering with local universities. Such a survey could demonstrate how companies are gaining from such relationships, what resources universities are providing and if recent graduates are benefiting. In turn the advantages that are being directed toward local universities through their educational partnerships with local businesses could also be identified. The information gleaned from this survey could be used to document all types of existing partnership models and perhaps even serve as a foundation from which to build advanced partnership templates. By uniting the educational resources of higher education with the business acumen of local industry a hybridized training process focusing on workplace competencies could be created. It is possible that such a hybridized training process could minimize the knowledge and skill gap currently being experienced by recent university graduates entering the

workforce. ●

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