

Logistics Human Resources in Vietnam as the Key Issue

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Abstract— Vietnam is one of the four Southeast Asian countries with great potential in developing both infrastructure and logistics systems. Along with the system of seaports and interlaced rivers is a great advantage to develop the logistics industry. However, the reality shows that the opposite is that human resources are the most difficult problem of the logistics industry today, due to hot development, the human resources of this industry are both insufficient and weak. Therefore, the survey of the current situation of human resources of the Logistics industry to propose solutions to develop human resources to improve the competitiveness of Logistics Vietnam in the global service chain is an endless issue. It is urgently needed to have great investment from the Government of Vietnam as well as domestic and foreign organizations.

Keywords— Logistics, Ho Chi Minh City, Government, Vietnam, human resources.

I. INTRODUCTION

When it comes to logistics, we are talking about freight flow including foreign trade, finance, law, transportation, information technology and a range of related services. Unfortunately, in Vietnam, logistics has not yet received intensive training at universities in finance, foreign trade, law or economics. According to a study by the Logistics Business Association, Vietnam currently has about 30,000 businesses operating in the field of logistics, including about 4,000 enterprises operating in domestic and international freight [1]. Current businesses are mostly small and medium-sized, of which 1% are 100% foreign-owned, 10% are joint ventures, and the remaining 89% are pure Vietnamese. However, human resources of businesses are currently in short supply. According to the report of the Vietnam Logistics Business Association, the logistics industry currently lacks about 2 million people. With the trend of automation and e-commerce having a strong impact on the ecosystem of the logistics industry, special attention needs to be given to retraining the skills of the existing workforce to keep up with technological advances, through That contributes to improving the competitiveness of Vietnam's logistics industry [2]. It can be seen that the human resources for Vietnam's logistics industry are both lacking in quantity and weak in expertise. There are many causes for this problem, but the main reason is that vocational schools often face challenges in meeting the skill level of graduates compared to the actual needs of the business, leading to skills shortages in the labor market. Therefore, graduates are placed in low-skilled positions with modest salaries, while employers must invest in retraining employees. In particular, businesses have a lot of difficulties finding skilled workers with high skills. 74% of enterprises said that it was difficult to recruit technical staff. Similarly, the

number of enterprises that are difficult to recruit for supervisory and management positions is very high, respectively 84% and 91% ...

Logistics is currently a new industry in Vietnam and is extremely thirsty for human resources, but the quality that Vietnam meets for the industry is lacking and human resources are also very weak in skills. Therefore, in order to improve this situation, Vietnam needs to combine with the logistics associations in the world in order to provide a quality training framework to help businesses not have to invest in retraining. employees as well as create greater attraction to create more quality human resources for Logistics [3]. As a backbone industry in the field of logistics, but the status of labor resources is both insufficient and weak, do not meet the development needs of the labor market as well as the technology development trend of the industry. This is a big challenge not only for businesses providing logistics services but also affecting the entire economy [4]. Human resources for logistics are extremely important in the development of this industry. To meet the current needs, the training needs to approach international training standards, the weakness of Vietnam's logistics human resources is the discipline and the ability to work collectively. The next training facilities provide knowledge and skills, need to pay attention to discipline training, professionalism for employees, diversified types and forms of training [5]. According to experts, to achieve the goal of reducing logistics costs from 18% of GDP to more than 11% at the global cost, in addition to investing in technical infrastructure, improving the ability delivery, upgrading logistics quality, improving customs clearance, shortening time, reducing costs ... training and improving the quality of human resources working in logistics should be focused, pay attention to Weighing and worthy investment.

II. THE ACTUAL SITUATION OF HUMAN RESOURCES IN LOGISTICS INDUSTRY

A. Actual Situation of Human Resources

Current logistics human resources in Vietnam are currently identified as patchwork and lack of methodology. It can be affirmed that experts who are professionally trained in this field are too few compared to the development requirements of the Logistics service industry. Most of the knowledge that logistics workers now gain is from practice when acting as agents or partners for foreign companies specializing in this service industry [6].

Logistics in the world is defined as a service industry. In Vietnam, experts calculate, every year businesses have to spend 25% of the cost of GDP on logistics services. According to a survey of Ho Chi Minh City Development Research

Institute on the quality of logistics human resources, human resources in this industry are mainly sourced from shipping agents. There are 53.3% of businesses lacking qualified staff and logistics knowledge, 30% of businesses have to retrain staff and only 6.7% of businesses are satisfied with their expertise.

Up to 80.26% of employees in logistics businesses are trained through daily work, 23.6% of employees attend domestic training courses, 6.9% are trained by experts. abroad training, only 3.9% participated in training courses abroad. These research data have shown that Vietnam's logistics human resources are not only lacking in quantity but also weak in quality, which is very unreasonable for the service industry with a scale of up to US \$ 22 billion. Accounting for 20.9% of the national GDP, the annual growth rate is from 20-

25%. Recruitment demand in this industry, in the last months of 2015, increased sharply to 66%, ranked first in the recruitment demand in industries in Ho Chi Minh City. Businesses need a lot of labor in positions such as document staff - customs procedures, import and export, purchasing, operating - warehouse management ... At the same time, need more skilled technical workers in the position. such as: Driving heavy vehicles, depot, delivery staff. By 2020, economic groups including logistics in HCMC will need up to 25,000 employees. The logistics industry is a growing trend, continuing to need more manpower in the coming years. The income level of this industry is also higher than the common level, but the labor supply only meets about 40% of the demand.



Figure 1. Human resource quality of Logistics in Vietnam

B. Opportunities for Young Workers

Due to the serious shortage of logistics human resources for the labor market and the changing perceptions of businesses about the role of logistics, those who are well-trained and experienced in this field have a lot of career opportunities. Their income is always high in society, logistics employees often have a starting salary of 6-7 million / month, management and leadership positions can reach a salary of several thousand USD / month.

In the face of scarcity, the training and development of human resources for the logistics industry is becoming extremely urgent. At present, training programs to improve skills in this industry are conducted at three levels: Training at regular training institutions; training in accordance with the program of Logistics Service Business Association (VLA) or logistics research and training centers or programs of cooperation between the Government of Vietnam and governments and consultancy organizations; internal business training,

With the goal of developing strong logistics human resources in Vietnam in the coming time, the opportunities and the possibility of success for logistics students are also considered to be higher, especially for students who are Well-trained, professionally conscious, working practices in businesses. In 2014, Vietnam officially opened the logistics service market for foreign companies to invest. The industry is new, but the demand for logistics human resources is growing rapidly, not only in service providers but also in almost every industry, seafood, trade, and other services. The shortage of logistics personnel is greatly affecting the competitiveness of exporters.

C. The Actual Situation of Logistics Training in Vietnam

In order to have a developed logistics service industry, the training process should be fully implemented in three target groups. First, logistics service providers must know the nature, principles and practical issues of logistics services that are so diverse and constantly evolving, not only within the

country but around the world. Second, service users who are manufacturing and trading enterprises in many different industries must know how to use logistics as a tool to effectively operate their product and service supply chains. Finally, managers and policymakers need to better understand the nature, role, and situation of the logistics industry in order to devise appropriate policies and directions for industry development, institutional building, and legal compliance. industry development. Training programs must be specifically designed for different levels of personnel including administration, executive management, and staff.

However, according to VIFFAS, the training program on logistics in Vietnam is still brief and general. In addition, there are a number of business associations and groups that organize short-term training in the form of cooperation with foreign partners or freelance lecturers. In recent years, the Institute of Logistics Research and Development of VIFFAS has cooperated with the Education and Training Advisory Council of the Federation of International Freight Forwarders Associations (FIATA) to train the FIATA Diploma program. about "Managing international freight forwarding" with a Diploma recognized all over the world. The Institute also participates directly in the Education and Training Sub-Committee of the ASEAN Association of Logistics (AFFA) to develop a joint logistics training program for ASEAN members. In addition, the Institute also cooperates with partners to open training courses on forwarding, consolidating sea freight, together with the customs college to open a training course on customs agents.

In terms of air freight forwarding, IATA through Vietnam Airlines has organized a number of professional classes and held IATA exam examinations of international value. The project of developing human resources for international logistics and aviation (International Logistics Aviation Services - ILAS) was first implemented in Vietnam with the goal of seeking and training human resources to manage logistics and aviation services. the Logistic Knowledge Company in collaboration with Work Global is also aggressively enrolling students. However, it seems that these programs are still not progressing due to informality, limited numbers, and internality.

III. LOGISTICS DEVELOPMENT SOLUTIONS FOR HUMAN RESOURCES

High-quality human resources will be the premise for the development of Vietnam logistics enterprises in the condition of integration before and after the World Trade Organization (WTO), contributing to promoting Vietnam's logistics service sector. Over the current difficulties, to be able to firmly develop and contribute to Vietnam's economic development, affirming Vietnam's position in the region and the world. In order to develop human resources for the logistics service industry in Vietnam, several measures need to be implemented:

Firstly, the Government needs a clearer direction for the development of logistics services. First of all, it is necessary to consider having enough factors to call the logistics service area an independent "industry" and whether it should develop into an independent industry or not? Since then, there are

appropriate directions for this service area including human resource development plans; Adding legal documents to realize the concept of logistics services in the Commercial Code.

Secondly, there is a need for deeper cooperation between the ministries and departments related to the logistics service area in order to clearly define the capabilities and responsibilities of each party in developing the logistics service area, including developing human resources logistics.

Thirdly, it is necessary to continue promoting the role of medium and short-term training programs conducted by institutes, centers, associations, and training companies. Encourage these organizations to plan training cooperation with foreign experts or organizations in countries where logistics services thrive and effectively.

These short courses should focus on specialized areas of work or operations specific to a specific task of the job, or general or advanced knowledge training for middle and senior managers. high level. Professional courses are courses that can help students apply their knowledge right to their current job as well as introduce the disciplined working style and high cooperation of logistics. Therefore, these courses play an important role in the process of quickly adding human resources to the logistics service sector. Advanced courses help managers have a comprehensive overview of the service chain that their businesses are / or want to provide, thereby taking measures to improve the service quality of businesses. Associations are responsible for seeking regular training funds, attracting foreign partners to attend training for employees of Vietnamese logistics service companies in order to accelerate the number of trained staff.

Fourthly, companies and businesses need to have specific resource plans starting from the planning stage, sending people to visit, study abroad, have good remuneration policies and are worthy of their employees. good technical expertise. It is advisable to set up an early and periodic recruitment plan to recruit competent people (for example, accepting final year students majoring in or majoring in internships at the company to have many personnel options). Training and retraining of existing resources, attracting workers with relevant specialized qualifications, knowledge of foreign languages, geographical knowledge, foreign trade, regularly updating new techniques in forwarding service international download.

Fifthly, in order to have good human resources, large logistics service companies need to have an internship support program to attract students to their companies thereby increasing the chances of selecting good people. Organize presentations on current industry practices in Vietnam and around the world for students to get job orientation before graduation.

Companies should link with a number of reputable universities to participate in the process of training and retraining, as well as the right to present and recruit at these universities. Therefore, companies need to build training funds at the school, provide professional support for schools if they want to have the best and most well-trained students.

Sixth, workers should also have job orientation right from the training process. Students need to be more active in the process of finding and accessing logistics service companies if

they want to work in this service area, then need to actively learn to improve their skills and work skills to get be able to keep up with the job right after graduation. The direct labor group needs to be trained not only in working skills but also in the spirit, working attitude as well as labor discipline observance attitude.

IV. PROPOSAL FOR LOGISTICS HUMAN RESOURCES DEVELOPMENT FROM TRAINING ANGLE

A. Solutions for Training Human Resources from Universities and Colleges

Vietnam needs to have formal and systematic training in logistics/supply chain management at universities in order for human resources to be provided in a sustainable and quality manner. Therefore, in order to serve the goal of long-term and sustainable human resource development, the Ministry of Education and Training needs to support schools more strongly in allowing branching or implementing projects such as programs, the advanced performance last time. It is a fact now that there are a number of training programs at bachelor level, but have not attracted many really good students, because the university's entrance to universities with logistics training programs is not high, while the group of top schools does not have a formal training program in this field. In addition to the bachelor training program, the development of the master program (practice) is essential, as this is a high-quality supply for the Logistics industry.

B. Promote the Propaganda about Logistics

Closely coordinating between state management agencies and schools and enterprises in logistics propaganda and advertising; bringing the concept of logistics become popular in the economy in particular and society in general.

From the Stateside: Disseminate and provide information on the State's policies and guidelines in building a highly qualified workforce in the field of Logistics Services. In addition to making policies to promote training of human resources, propagating that policy to organizations and individuals in need is also very important, allowing any important individuals or organizations. All participants can participate in this policy, creating a thorough effect and making the most of human resources.

On the side of the school: Conducting propaganda in many diverse and rich forms such as organizing seminars, seminars, contests on logistics and activities taking place in the logistics service area; Regularly update the logistics newsletters on the forum, fan page of the university, encourage students to participate in learning and learning about this potential service industry.

On the business side: Regularly organize meetings and exchanges between experts, professional logistics managers with enterprises operating in the field of Logistics, manufacturing enterprises with high demand for logistics; strengthen the organization of logistics talks and exchanges; invite leading foreign logistics experts and enterprises to exchange, seminar, learn, exchange experiences and update new knowledge on logistics; integrate through training courses, propaganda through the media such as radio, television, web portals.

C. Training Logistics Human Resources from Enterprises

In addition to training support from associations, organizations, universities, logistics enterprises also need to have policies to train and build staff, promote the strength of human resources. resources in an optimal way, helping businesses develop sustainably and permanently. To do so, businesses need to have some practical and detailed policies, in particular:

Enterprises should set up recruitment councils and organize the recruitment of human resources for their businesses; screening and eliminating a number of officials and employees who do not meet the work requirements; arranging the use of human resources in specialized departments in accordance with the training disciplines and their capabilities; review and re-evaluate the entire staff of their in such fields as: Level, gender, training level; set up training programs, improve professional qualifications and skills for employees.

Developing professional qualifications in logistics activities: Improving professional qualifications and skills, creating conditions for laborers to study and work to accumulate knowledge and experience from practice; application of science and technology in the implementation of customs processes and procedures; training on enterprise management, updating the guidelines, guidelines, and policies of the State; clearly define training objectives, develop training plans and develop human resources in the short and medium-term, select the right subjects for training. In addition, businesses also need to train or retrain a number of other skills such as good communication and numeracy skills, foreign language skills, computer skills, office software. Raising employees 'awareness: Starting from the need to raise employees' awareness to meet the development requirements of enterprises, creating a strong change in awareness expressed through attitude. positive, proper behavior with work and other social relationships. Creating motivation to motivate employees: Creating motivation to achieve active operation, contributing to improving productivity, quality, and efficiency at work. Human resources in the field of Logistics in Vietnam are currently poor quality, one of the main reasons leading to the limited quality of service providers in Vietnam logistics enterprises. Although human resources are abundant, the quality of human resources is very limited. Therefore, the training phase to provide logistics human resources is extremely important. The development of training programs not only for bachelor and college programs but also for practical graduate programs is a necessary job of the schools. On the business side, training and re-training programs for officials and employees should also be included in the development strategy. Besides, the strong support and cooperation from agencies, ministries, and branches are indispensable to contribute to the success of training human resources for the industry.

D. Evenly Distribute Logistics Centers across the Country

Most of the current, large logistics centers in Vietnam are concentrated in big cities such as Ho Chi Minh City, Hai Phong, Da Nang, Hanoi ... This has caused a problem that logistics enterprises. and transport will be concentrated in

those big cities. And making businesses will recruit human resources in the region that can not expand human resources. Therefore, it will make human resources for the industry increasingly scarce. Therefore, opening large logistics centers in other cities will stimulate the development of human resources for the industry in that city. As a result, there will be a greater attraction for logistics enterprises as well as existing businesses to develop human resources that are scarce and not widely covered.

V. CONCLUSION

Although there are many potentials, the fact shows that until now, the competitiveness of Vietnam's Logistics industry is still quite limited. The infrastructure of both hardware and software as well as the management technology and policy environment, although improved over the years, still needs to be strengthened to keep pace with the development of Partner countries and regional competitors. Most of Vietnam's logistics enterprises are small and medium-sized, only able to meet the forwarding, warehousing services, customs clearance, retail consolidation, and have not participated in managing the whole logistics chain like FDI businesses. The fact also shows that human resources are the most difficult problem of the logistics industry today because due to hot development, human resources of this industry are both insufficient and weak. The difficulty of human resources of

this industry is further compounded when Vietnam joins the ASEAN Economic Community and joins new-generation free trade agreements. Research data indicates that Vietnam's logistics human resources are not only lacking in quantity but also weak in quality, which is unreasonable for the service industry with a scale of up to 22 billion USD, accounting for 20.9% of the country's GDP, the annual growth rate of 20-25 %.

The most important issue at present is that there is no logistics training policy to suit the integration economy, and there is no logistics staff with rich and deep knowledge, practical experience, as well as no skill standard system as a basis for the design of training programs and curricula for job positions in the logistics industry.

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