



IMPROVING HUMAN RESOURCES MANAGEMENT OF HNL VINA LIMITED COMPANY: A CASE STUDY OF TYPICAL KOREAN INVESTED GARMENT COMPANY IN VIETNAM

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DOI: 10.5281/zenodo.1435590

Abstract

Researching human resources management in general is not a new issue but it has become more important in the context that the enterprises in Vietnam face many challenges in the process of international economic integration when Vietnam officially signed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which is a free trade agreement between countries in the Asia-Pacific region. Specifically, once the agreement is signed, there will be a large number of highly qualified workers from other countries coming to Vietnam, who directly compete with the local labor market. Therefore, the management of human resources in specific enterprises such as attracting, training and development, maintaining policies needs to be improved to adapt to the situation.

The purpose of this research is to find solutions based on the human resource management concepts and current human resource situation for HNL Vina Co., Ltd 's shortcomings: low capacity, workers have not much experience, high un-trained employee rate, high turnover rate, ability to study and self-study despite many efforts but still very limited... The results will be given through applying significant and verified theoretical bases to clarify and systematize the theoretical issues of human resources and human resource management of HNL Vina Company Limited.

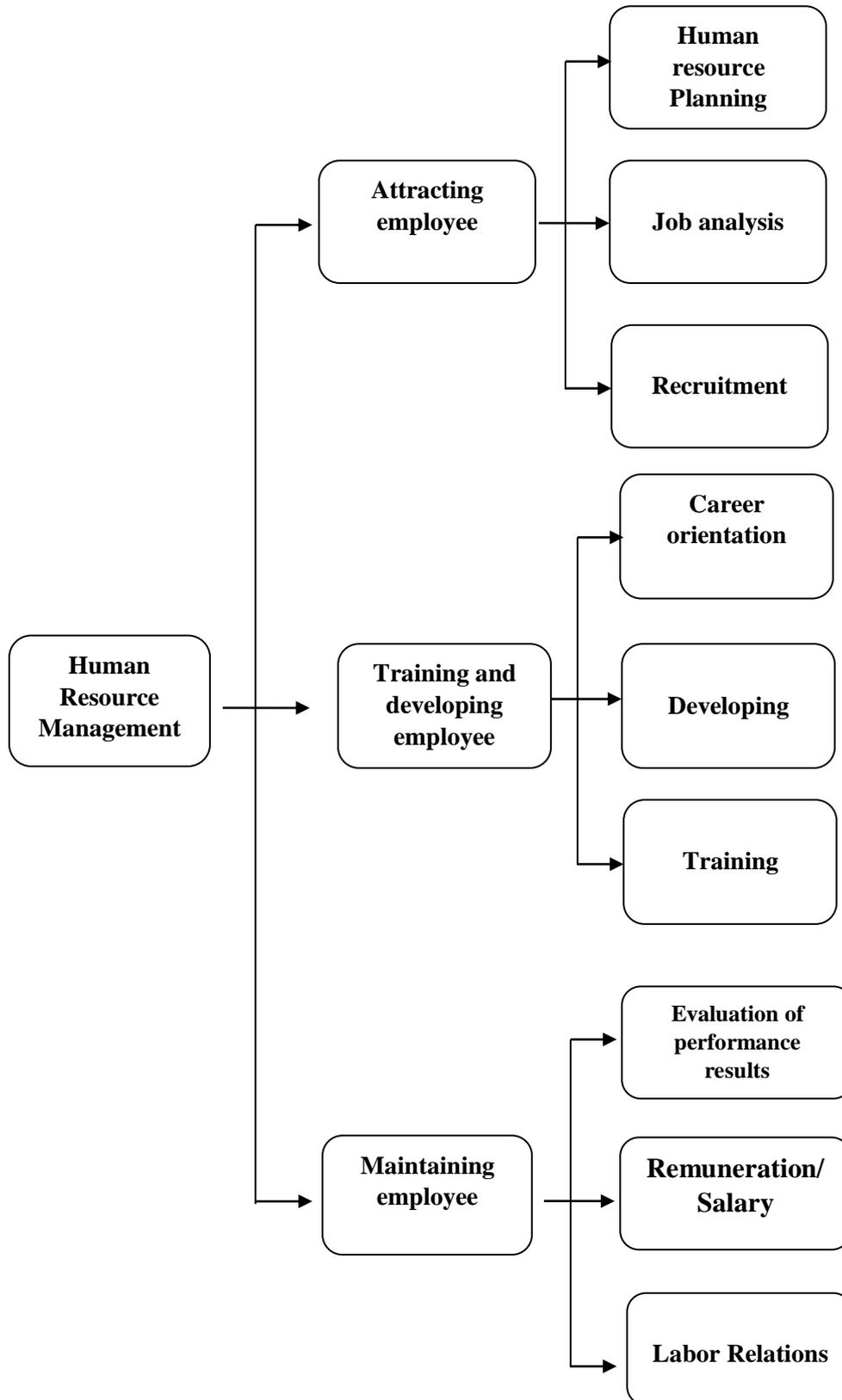
Introduction

HNL Vina Company Limited, which is a foreign-invested enterprise with 6.000.000.000 VND of legal capital in Investment Lisence, specializes in manufacturing and processing garments. HNL Vina was established on April 11, 2014 after its holding company known as OorinTex has been operating for one year in Korea. Currenty, the company still faces many shortcomings: low capacity, workers have not much experience, high un-trained employee rate, high turnover rate, ability to study and self-study despite many efforts but still very limited.

Therefore, HNL Vina's current human resource management must be reviewed and adjusted to overcome difficulties and develop in the future. This study will review and analyze the current human resource management of HNL Vina to determine the current HR situation of the company, then find the solutions for this.

Theoretical bases and research model

This Research follows the human resource management model of Associate Professor Dr. Tran Kim Dung (2009) in the book "*Human Resource Management*", which was developed and adjusted from the human resource management model of the University of Michigan to fix on the realities of management context in Vietnam. A comprehensive strategic management model is as follows:



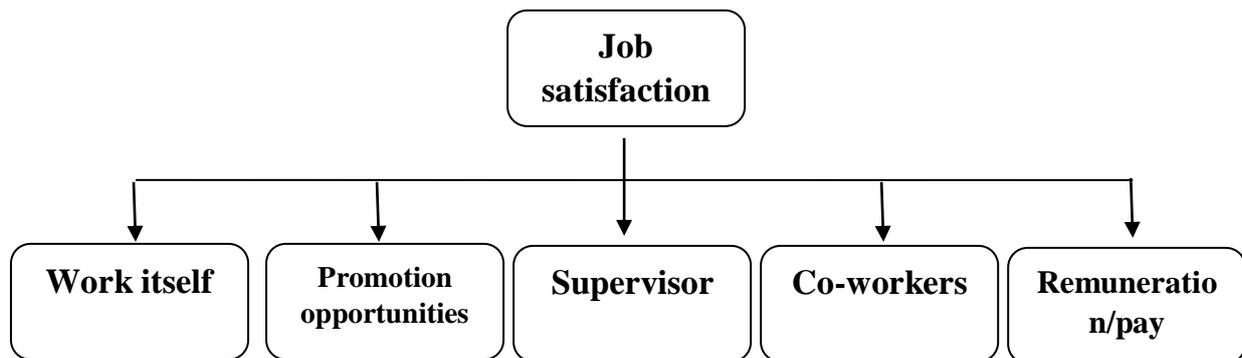


INTERNATIONAL JOURNAL OF RESEARCH SCIENCE & MANAGEMENT

The model was based on the following ideas:

- Human resource management is considered as one of the functional strategies.
- Attracting, training - developing and maintenance of human resources are three main groups of functions that have a close relationship and interact with each other for the purpose of human resource management.
- The mission of a business objectives is to direct which forms the objectives of human resource management. Human resource management objectives will be the basis for the creation of corresponding functional activities.
- Human resources management, organization culture and operation mechanisms are intertwined with each other and become a unified subject, which strongly influenced by macro factors such as political system, economic, social, scientific and technical development.

As well as this, to find the factors that affect job satisfaction in terms of attracting human resources, human resource development, and human resource retention, the the research will be modeled on the Job Descriptive Index (JDI) model by Smith et al. (1969). According to the model, the study of job satisfaction is based on five main factors: Work itself, Promotion opportunities, Supervisor, Co-workers, Remuneration/pay.

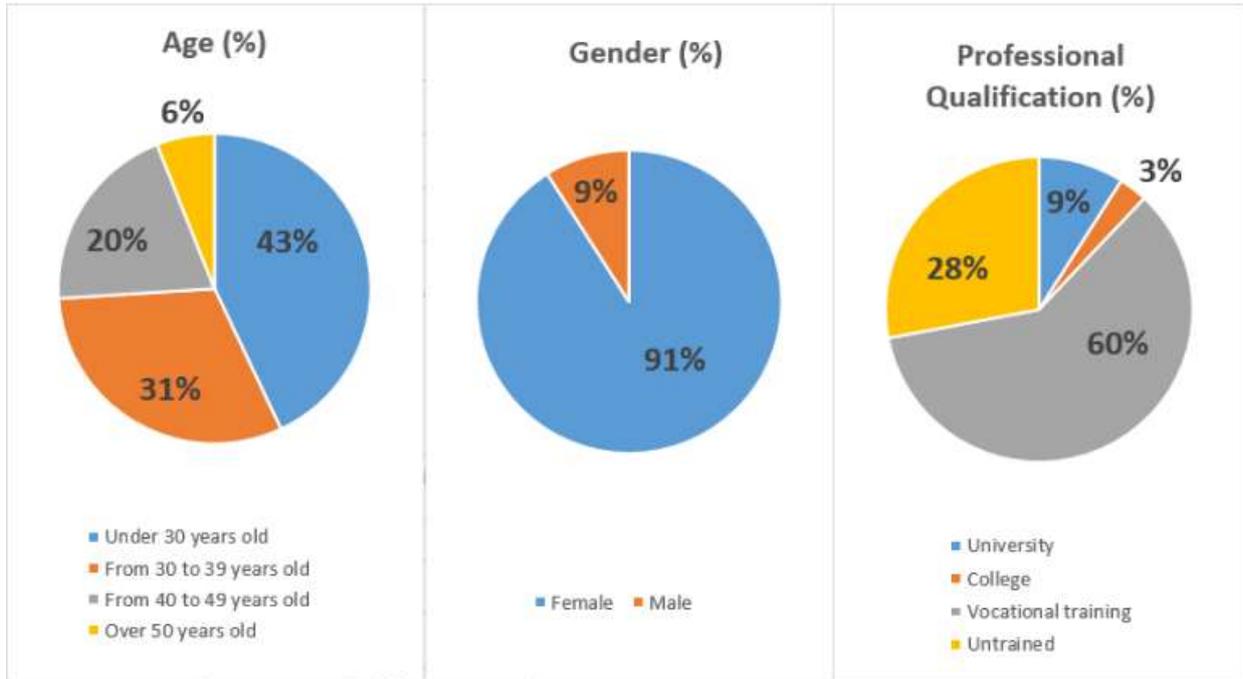


Based on the results of the research by interviewing and group discussing with company managers and human resource management experts from the Talent consulting service firm, it is important to consider factor "work environment" as the sixth factor to analyze job satisfaction in the Research.

For this Research, to collect relevant data, both quantitative and qualitative methods will be applied such as: researching existing data and information, production of primary data through surveys and in-depth interviews with appropriate sample size of key specialists and experts.

Data analysis

To do the research, the author has conducted surveys and interviews with about 300 employees who are currently managers and employees of NHL Vina 's divisions and departments. Some descriptive statistics of the research sample are as follows:



Evaluation of human resource satisfaction on attracting workforce with “Work Itself” factor

Based on the actual situation of the company's attracting activities, a survey was conducted to analyze employee satisfaction on attracting policy.

No.	Work itself	GPA	1	2	3	4	5
1	Work in accordance with professional level, capacity, skills trained by organization	3.25	6%	15%	32%	41%	6%
2	Clear understanding work	3.31	15%	14%	17%	34%	21%
3	The job allows the use and promotion of personal capability	3.01	18%	23%	17%	26%	17%
4	There is encouragement for creativity in work	2.90	16%	17%	36%	22%	9%
5	Many challenges and excitement in the work	3.16	11%	14%	31%	37%	7%
6	The workload is reasonable for employee	3.38	8%	10%	37%	25%	20%
7	The work time is reasonable for employee	3.16	13%	14%	35%	21%	17%

Only criteria 4th has GPA lower than 3 point which reflected that the HNL Vina has some problems with the encouragement for creativity in work



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Evaluation of human resource satisfaction on training and development with Promotion Opportunities factor

Based on the actual situation of the company's training and development activities, a survey was conducted to analyze employee satisfaction on training and promotion opportunities.

No.	Promotion opportunities	GPA	1	2	3	4	5
1	Fully trained professional skills	2.88	17%	24%	21%	30%	8%
2	Chance to improve the professional skills	2.93	18%	20%	23%	29%	10%
3	Promotion chance for capable employee	3.04	6%	31%	26%	27%	10%
4	Individual development opportunities	2.92	10%	30%	28%	22%	10%
5	Equality and clear in training and development policies	2.90	17%	20%	32%	18%	13%
6	Satisfaction with job orientation according to the promotion plan from higher level	2.98	20%	23%	17%	19%	21%

According to the survey results with 6 criteria, there are 5 criteria with a GPA less than 3 point. Only the criteria 3rd had GPA little bit greater than 3. This shows that the training and development activities of the company is not really good. The number of people who disagree is still very high.

Evaluation of human resource satisfaction on human resource maintaining with "Remuneration/pay" factor

No.	Remuneration/pay	GPA	1	2	3	4	5
1	Satisfied with the current salary	3.02	17%	20%	25%	20%	18%
2	Salary is respond with work performance	3.07	13%	22%	26%	23%	16%
3	Salary are consistent with personal capacity and contribution	3.15	12%	22%	25%	21%	20%
4	The reward is worth the effort	2.82	13%	26%	38%	12%	11%
5	Salaries, bonuses and allowances are distributed fairly	3.57	4%	16%	23%	33%	24%
6	Employee can live on income	3.04	16%	21%	24%	21%	18%

Based on the survey results, five among six criteria were higher than 3 points, especially the criteria 5th has a very high GPA score (3.57). This shows that employees are quite satisfied with the company's bonus, bonus and allowance policies. However, bonuses and allowances which are focused in 2017 have not reached the consensus of almost employees. This should be considered to increase the bonus and allowance to be suitable for employee's effort and productivity.

**Evaluation of human resource satisfaction on training and development with Supervisor factor**

No.	Supervisor	GPA	1	2	3	4	5
1	Supervisors care about personally subordinates	3.65	7%	10%	24%	29%	30%
2	Supervisor is ready to support for employee	3.89	4%	7%	21%	32%	36%
3	Equal treatment of employees	3.61	8%	7%	31%	24%	30%
4	Supervisor is the capable, visionary and well-operating leader	3.38	13%	14%	17%	34%	22%

As a result of the analysis, all four criteria of the "supervisor" survey had GPA scores greater than 3. In particular, the criteria to achieve the GPA highest is criteria 2nd. This shows that employee satisfaction for supervisors is very positive at the workplace in HNL Vina.

Evaluation of human resource satisfaction on training and development with "Co-worker" factor

No.	Co-worker	GPA	1	2	3	4	5
1	Employee obtains the help from co-workers	3.84	6%	5%	19%	39%	31%
2	Co-workers coordinates to work well	3.74	7%	6%	19%	42%	26%
3	Co-workers are friendly	3.22	8%	15%	36%	29%	12%
4	Co-workers are reliable people	3.18	9%	16%	34%	30%	11%

As a result of the analysis, the support and cooperation of colleagues was highly appreciated. This is evidence that criteria 1st and criterion 2nd have a GPA of 3.84 and 3.74 respectively. This could be because the sense of accomplishment of their work is closely related to the work of the co-worker, so they will be ready to support and cooperate with each other to complete.

Evaluation of human resource satisfaction on training and development with "Work environment" factor

No.	Work environment	GPA	1	2	3	4	5
1	The workplace is clean and hygienic	3.21	12%	15%	32%	22%	19%
2	Not worried about a job loss	3.73	6%	7%	20%	42%	25%
3	Working in safety work environment	3.31	10%	10%	32%	29%	19%
4	Work equipment and machinery are fully provided	3.16	19%	10%	28%	22%	21%

The results of the analysis showed that the assessment of the work environment of employees is generally very positive. Specifically, all criteria have a high GPA scores that are over 3 points. However, the criteria for sufficiency of work equipment are still quite low compared to the others. This should be considered to change



INTERNATIONAL JOURNAL OF RESEARCH SCIENCE & MANAGEMENT

outdated equipments and add new equipments so that the "work environment" criteria is more balanced as well as play a role to increase employee productivity.

Conclusions and Recommendations

In conclusion, 3 most appropriate sets of solutions for HNL Vina are established as follows:

S1. Solutions for human resource attraction

1. Complete the job description and job standard with measurable criteria such as salary grade, professional qualifications, job function of each employee.
2. A job description of the departments should include a statement of purpose or reason for the department being created, department mission.
3. HNL Vina also needs to improve the workflow analysis. Beyond the main workflows are analyzed into processes such as cutting, sewing, material and accessories testing, KPI assessment ...

S2. Solutions for human resource training and development

1. Developing process and method of human resource training and development

To identify training needs and develop human resources, HNL Vina needs to evaluate business strategies, available resources to support training (finance, time and opinions of leadership about training and development) to identify the overall needs of the organization and the extent of support for training and development.

Establishing an annual training and development fund to meet the training needs of the employee, which is reasonable rate based on annual sales. At the same time, HNL Vina should also seek outside sources such as financial support from economic organizations, training and development funds for the apparel industry, ...

Organizing the study and finalization of the program and the company's internal training curriculum. Renovating training programs in line with new technology, production processes and modern management methods.

The process of teaching, instructing, examining should follow the standard of work.

Organizing for managers and staff to visit, learn from the experience of large enterprises in the same industry about management methods, production organization, work process ... in order to improve the training and development policies.

Strengthening the ideological and moral education so that the employees have the responsibility and love the work, promote the work effort.

Establishing teams to monitor the training and development process, issues regarding the use of training funds, training programs, faculty status, adherence to corporate training and development regulations.

Developing a process to evaluate the effectiveness of post-training activities to help the company avoid wasting money and time and make reasonable adjustments to the next training seasons.

Formulating specific policies on training, retraining and use of personnel; promote employees who have excellent academic performance in order to motivate them, encourage them to learn and gain more results in training.

2. Diversifying forms of training and development

HNL Vina needs to ensure all employees are trained to have the professional capacity to perform well assigned tasks. Diverse and varied training programs are offered in the form of classes, on-the-job training or self-study. Employees should be financially supported and encouraged to maintain continuous learning as well as they should be provided individual-developing opportunities. Forms of training at HNL Vina should focus on: On-the-job training, internal training and external training.



S3. Solutions for human resource maintaining

1. Improving salary, bonus and allowance policies

Bonus policies should be based on ranks and working days combined with the classification of cases, each of which is a different bonus level, to properly evaluate employee contributions as well as to ensure the equality.

For individuals and departments outstanding completing their work before the deadline, HNL Vina need some form of reward, such as bonus money, certificates of merit, gifts, etc., to encourage them to do their jobs well with higher level.

2. Improving work environment

In the workplace arrangement, the most important issue is to create a favorable working environment for employees in order to stimulate their creativity, dynamism and enthusiasm. Specifically, HNL Vina should:

Creating a funny, playful and united work environment like holding a small game at the beginning of the work day or early work week.

The labor union of HNL Vina should organize small parties when the company or certain departments achieve good results to create the spirit of working for the employees as well as create the unity of employees through small parties. Every year, sport competitions or traveling are the ways to help employees and their co-workers become more connected, friendly and trustworthy.

It is necessary to invest and replace old and outdated machines and equipment with modern machinery and equipment to ensure labor safety as well as increase labor productivity, product quality and high production efficiency.

All employees in the company must learn and build a sense of safety in the workplace.

Further recommendation to improve human resource management

1. Beyond motivating and encouraging employees, HNL Vina needs to be build the policies for those who are the lack of responsibility, not completing the tasks, loss of company assets, ... Especially, employees who cause the production process delay have to pay a heavy penalty. Due to clear company's regulations, serious employees will feel more comfortable and satisfied when working in a well-disciplined and fair environment.
2. In order to achieve the objectives of the human resource management information system, the company needs to develop a complete set of components such as information on human resource market, information on human resource recruitment, information on the use of labor, information on the maintenance and development of human resources and general information on human resources.

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