

## Nâng cao chất lượng nguồn nhân lực Logistics thông qua việc kết nối sinh viên với các doanh nghiệp Logistics

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### TÓM TẮT

Hiện nay, vấn đề đào tạo nguồn nhân lực chất lượng cao cho lĩnh vực Logistics đang được các cơ sở giáo dục và doanh nghiệp đặc biệt quan tâm, nhất là trong bối cảnh hội nhập quốc tế và tác động của cuộc cách mạng công nghiệp lần thứ tư ngày càng sâu rộng. Để nhân lực Logistics cung ứng cho thị trường lao động đáp ứng đủ kiến thức chuyên môn và kinh nghiệm thực tế, việc tăng cường kết nối, hợp tác giữa nhà trường và các doanh nghiệp dịch vụ Logistics là yêu cầu cấp thiết đang được các cơ sở đào tạo nỗ lực thực hiện. Bài viết bàn sâu thêm về thực trạng nguồn nhân lực Logistics ở Việt Nam hiện nay và khẳng định tầm quan trọng của việc kết nối giữa nhà trường và các doanh nghiệp Logistics trong vấn đề đào tạo nguồn nhân lực. Từ đó, tác giả kiến nghị một số giải pháp mang tính định hướng trong việc tăng cường sự kết nối giữa sinh viên với các doanh nghiệp Logistics thông qua nhà trường

**Từ khóa:** Logistics, nguồn nhân lực, sinh viên, doanh nghiệp.

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# Improving the quality of Logistics human resources through connecting students with the Logistics enterprises

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## ABSTRACT

Currently, the issue of producing high-quality human resources for Logistics is receiving special attention by educational institutions and enterprises, especially in the context of international integration and the impact of the fourth industrial revolution which becomes more extensive. In order for Logistics labor force to supply the labor market with adequate professional knowledge and practical experience, strengthening the connection and cooperation between educational institutions and Logistics service enterprises is an urgent requirement carried out by educational institutions. The article further discusses the current situation of Logistics human resources in Vietnam and affirms the importance of connecting between educational institutions and Logistics enterprises in producing human resources. Hence, the author proposes a number of directional solutions in strengthening the connection between students and Logistics enterprises through the educational institutions.

**Keywords:** *Logistics, human resources, student, enterprise.*

## 1. INTRODUCTION

Currently, Logistics human resources are in serious shortage. In the period of 2017-2020, the country needs about 20,000 high-quality workers in Logistics and supply chain management. Forecasting to 2030, the number of new workers needed in the Logistics industry amount to 200,000 highly qualified employees meeting all requirements of skills, professional knowledge and English proficiency.<sup>1</sup> However, human resources do not meet the requirements of logistics services. In details, they are inadequate in quantity and weak in quality. Logistics human resources lack comprehensive knowledge and ICT qualifications still limited, not keeping up with the development progress of the world Logistics. Their logistics English proficiency is

still weak. In details, only about 4% of human resources are proficient in English, 30% of businesses have to retrain employees.<sup>2</sup> In fact, the cohesion between enterprises and universities is not much and not practical, and graduates have not met the needs of the business...

Currently, there are many studies of domestic and foreign experts, scientists on the training of Logistics human resources such as: Capacity building for tourism and logistics: redefining the role of human resources,<sup>3</sup> Human resource management issues associated with the globalization of supply chain management and logistics;<sup>4</sup> Training on developing Vietnam's Logistics human resources,<sup>5</sup> Human Resources Development Solutions for Vietnam's logistics industry,<sup>6</sup>... The works show the serious research

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results of scientists on Logistics human resources and development solutions, improving the quality of Logistics human resources. However, there has not been any work focusing on analysis, and in-depth study on the solution of connecting universities with Logistics enterprises to improve the quality of human resources in this field.

Businesses and universities must cooperate and collaborate in training. There are shares and connections to find a common voice, so that students can best meet the requirements of employers after graduation. This is one of the important factors contributing to the effectiveness of the training. Therefore, the issue of connecting students in universities with Logistics enterprises to contribute to improving the quality of Logistics human resources training is extremely necessary.

The article is aimed at students at the training institutions (universities) specializing in Logistics in Vietnam today. Analyzing the current situation of Logistics human resources training in Vietnam in the period of 2015 - 2020, we will give solutions to orienting the connection between universities and Logistics enterprises to 2025 and vision to 2030.

To solve the research problem, the author mainly uses the method of aggregating and analyzing secondary data sources, from which assessing the real situation of the problem and providing corresponding solutions.

## 2. CONTENT

### 2.1. Logistics and Logistics human resources

At the XI<sup>th</sup> National Assembly of the Socialist Republic of Vietnam, of the 7<sup>th</sup> Session, of June 14, 2005, passed the 2005 Commercial Law, which specifies the concept of Logistics services. In Article 233, Section 4, Chapter VI of the Commercial Law dated June 14, 2005 stipulating *“Logistics services are commercial activities, whereby traders organize the implementation of one or more stages including receive goods, transport, warehousing, storage, customs clearance, other paperwork, customer*

*advice, packaging, coding, delivery or other services related to the goods as agreed with the customer to enjoy the remuneration”*.<sup>7</sup>

Logistics and supply chain management (SCM) play an important and indispensable role in the production, circulation and distribution of goods. It helps manufacturers capture timely and accurately the needs of customers and boost the flow of goods, cash flow and information from suppliers, factory, transporter, warehouse through wholesale distribution channels and retail distribution to end-users more smoothly. Besides, through Logistics and supply chain management, businesses can reduce a large amount of cost, while satisfying customer needs and improving the brand awareness of the business.<sup>8</sup>

The theory of management has affirmed that people are precious assets. In the field of Logistics, human resources are also the core factor determining the success or failure of the organization, management and operation process of Logistics enterprises. These human resources are resources that relate to the general population. It is an important part of the population and plays a vital role in creating material and spiritual wealth for society. Depending on the industry, the human resource requirements may vary, therefore, the size of human resources is also different. *“With an approach based on human ability to work: Human resource is the labor capacity of the society, of all people with normal developed bodies who are able to work”*.<sup>9</sup> Thus, Logistics human resources are the labor capacity of society in the field of Logistic, which are all people who are capable of participating in labor in Logistics enterprises with normal physical health.

The quality of human resources is a combination of the qualities and strengths of laborer who are willing to offer them in the socio-economic development process. It includes important elements such as: physical strength, intellect, ethics, competence, skills and aesthetics of workers. Each of these elements has

a certain position, role and effect in creating the quality of human resources, but they are always related, intertwined impact, complementing each other to create the comprehensive development of human resources.<sup>10</sup>

High quality human resources in the field of Logistics are people who have to meet the requirements of the market (*required by domestic and foreign Logistics enterprises*). Those requirements are: expertise in Logistics, economics, information technology, foreign languages; ability to find, create jobs and work safely, personal and teamwork skills; good working attitude and behaviors, responsibility for the work. The most special quality is the creativity to find appropriate solutions and to adapt to new, complex situations of the work place.

High quality human resources play a very important role in the development of Logistics. That is one of the factors determining success and a fundamental, comprehensive development of Logistics activities, creating high labor productivity. High quality human resource can shorten the lagging distance, serving supply-demand connection to promote economic growth and accelerate the cause of industrialization and modernization of the country, achieving the goal of sustainable development. Improving the quality of human resources is a necessary condition for our country's logistics field to integrate into the world.

## 2.2. Status of Logistics human resources and the need to connect students with Logistics businesses

According to data from Vietnam Logistics Report 2018 by Ministry of Industry and Trade, currently, there are about 30,971 enterprises operating in the field of Logistics services, including about 4,000 enterprises operating domestic and international freight, mostly small and medium enterprises.<sup>11</sup> Logistics business activities include many types of services, dividing into groups such as: Loading and unloading containers; Warehouse; delivery service; Cargo; other service groups; analysis and verification ...

**Table 1. Logistics enterprises of Vietnam by scale**

Number	BUSINESS SCALE (person)	BUSINESS NUMBER (enterprise)	RATIO (%)
1	Under 5 people	12.025	38,83
2	From 5 to 9 people	8.400	27,12
3	From 10 to 49 people	8.781	28,35
4	From 50 to 199 people	1.385	4,47
5	From 200 to 299 people	152	0,49
6	From 300 to 499 people	114	0,37
7	From 500 to 999 people	74	0,24
8	From 1.000 to 4.999 people	32	0,1
9	Over 5,000 people	8	0,03

Source: Author compiled according to Vietnam Logistics Report 2018 - Ministry of Industry and Trade

Currently, with such a large number of Logistics service providers in Vietnam, the demand for Logistics human resources continues to increase over the years. If not promptly met, this human resource can be assessed as a serious lack. As of 2018, the number of Logistics enterprises in Vietnam was 30,971 enterprises. According to the table, it can be estimated that the average size of human resources in Logistics enterprises in Vietnam is about 20 people/enterprise. The average human growth rate in Vietnam Logistics enterprises is about 7.5%, then the human resource needs of enterprises providing Logistics services in the period from 2018 to 2030 (13 years) will be  $30.971 \times 20 \times (1 + 0.075)^{13} = 1.585.971$  people.<sup>11</sup>

In the current period, it can be said that Vietnam's logistics human resources are not only lacking in quantity but also weak in quality. This is not satisfactory for a service industry with a scale of over 40 billion USD / year, equivalent to 17-18% of the country's GDP.<sup>12</sup>

Survey results of the Ho Chi Minh City Development Research Institute on the quality of Logistics human resources show that, up to 53.3% of businesses lack qualified staff and logistics knowledge, 30% of businesses have to retrain their employees and only 6.7% of businesses are satisfied with their expertise.

The survey results of the National Economics University's Research and Economic Development Institute also noted, up to 80.26% of employees in Logistics businesses are trained through daily jobs, 23.6% of employees attend in-country training courses, 6.9% of staff are trained by foreign experts, only 3.9% have participated in training courses abroad.<sup>6</sup>

However, it can be seen that, one of the current problems is that although there is a shortage of Logistics personnel, many businesses after recruiting workers in this field must spend a lot of time and money conducting retraining. The cause of this problem is that many cases do not meet the requirements on skills to use and operate modern machinery and equipment for international Logistics and e-commerce services. Besides foreign language skills, information technology is also one of the obstacles, causing Logistics human resources to have many difficulties in manipulating and communicating with colleagues and foreign partners. The fact that this situation exists and has been highlighted in recent years is due to the skills that the trained workers in the school do not meet the recruitment needs of enterprises, the training process has not kept up with the needs of the labor market; the equipment and facilities in the training facilities have not kept up with the changes of current machines and technologies. Especially in the context of the fourth industrial revolution,

there is more and more profound influence, the rise of new technologies such as artificial intelligence, big data, internet of things..., which requires machines and technology of businesses to have continuous improvements to avoid backwardness, obsolete. Therefore, the problem of logistics human resources training, which is qualified to meet the requirements of the stormy development of science and technology, becomes even more difficult.

### **2.3. Situation and difficulties in the training of Logistics human resources in Vietnam**

Currently, there are 23 Logistics vocational training institutions nationwide.<sup>13</sup> Many universities provide human resource training in Logistics, including regular, master's and doctoral programs, with professional and methodical training program. Besides, some schools having high quality training programs and foreign links, bring advanced academic environment for students.

However, there is a significant shortcoming that each training school has its own program, based on the strengths of the schools that have not yet originated from the practical requirements of the Logistics industry. It can be seen that, in reality, Logistics students of many training institutions, despite their specialization in Logistics and supply chain industry, do not know about warehouse management software and have no deep knowledge about bar codes, for example, the case of Lazada Express Vietnam Company.<sup>14</sup> Representative of Lazada Express Vietnam Company said many of them are surprised to operate a warehouse that applies modern equipment technology to serve e-commerce or is quite confused in how to classify goods packaging to meet standards. In addition, for some simple jobs related to Logistics such as handling forklifts, operators did not have to use electronic equipment before. The requirement of the business for this position is much higher now. In addition, many Logistics workers, especially recent graduates still lack



soft skills such as industrial working style, teamwork skills, so the work efficiency does not reach the required quality.

Through the above analysis, it can be seen that it is very necessary for students to be directly involved in some operational processes of Logistics enterprises. This is an indispensable and popular training trend that foreign training institutions have applied that we need to pay special attention to. When students are visiting, practicing at enterprises and enterprises directly participate in assessing students' practical skills, then there will be no gap between the training party and the employer. At the same time, students will not be too surprised, as well as minimize psychological shock in business environment and industrial behavior.

When there is a connection between the university and the business, Logistics students can go on a field trip, learn about the processes, machines and equipment related to their field of study. Specifically, when going to a business related to the business, operating the warehouses, students will be thoroughly familiar with the process of selecting and processing orders in the warehouse, practicing the use of specialized, real equipment, how to classify, pack and store goods... Through contacting with the operation and operation lines of Logistics enterprises, students will be equipped with additional soft skills such as teamwork, the ability to grasp the situation, to identify and face difficulties... In addition, students also have the opportunity to gain a lot of experience as well as capture the spirit and responsibility that the employees working in Logistics enterprises convey. In addition to the knowledge provided in the school, when going on a field trip, students will better understand the difficulties the business is facing, about the corporate social responsibility in business, and realize the role and importance of performing the task... From there, each student will accumulate more professional knowledge, skills and work skills to be ready to find suitable jobs in the future.

### 3. RECOMMENDATIONS

To enhance the connection of students with Logistics businesses, the author proposes a number of oriented recommendations as follows:

*Firstly*, in fact, in some training institutions, the Center for Student Support and Business Relations has been established, accordingly, these Centers have a very important role in the cooperation and connection between the school and businesses in the area. With this model, the Center for Student Support and Business Relations of the University of Economics - The University of Danang is a typical example. Over the past time, the Center has successfully completed its mission as a bridge between the school and multidisciplinary businesses in general and Logistics enterprises in particular in Danang City. Thereby, students can access and support a lot from businesses, professional knowledge, extracurricular activities and especially valuable scholarships... Many students are recruited to work in businesses while still in school. However, in some other training centers, these centers have been established but not yet promoted their roles and activities but were not really effective. Therefore, it is necessary to enhance the position and role of the Student Support Centers and Business Relations in training institutions, and at the same time establish new ones according to the needs and capabilities of each institution.

*Secondly*, Logistic training institutions and businesses need to make commitments to ensure employment for students after graduation if they meet the requirements detailed in the commitment. This will help students have more motivation to study, research and have a clear orientation in the future.

*Thirdly*, there is often a coordination in building a training program between the school and Logistics enterprises, through this cooperation, the school's training program will always be supplemented and updated promptly. The development of training programs and

methods associated with reality is extremely necessary. The school is inclined to research and approach new trends that will support the standardization of business activities. Logistics enterprises with their strength in professional personnel in operations with adequate facilities will actually participate in part or full training in a number of professional modules for students. Training institutions and businesses need to shake hands in coordinating the assessment of the output quality of graduates.

*Fourthly*, according to the Vietnam Logistics Business Association, the Logistics Training Advisory Board - a business-led model established under the Aus4Skills program (*Aus4Skills is an Australian Government support program for Vietnam for 5 years to help Vietnam access and use qualified and skillful human resources, contributing to the sustainable economic and social development*)<sup>15</sup>. This is a typical example of the cooperation relationship between enterprises and vocational training schools in developing vocational standards and skills in logistics. The role of the logistics industry training advisory committee is to assist in ensuring that the skills of graduates are in line with the needs of employers, helping to increase productivity and efficiency of the industry. Therefore, if evaluating the role properly and having the support of the Advisory Board, Logistics students will have positive changes in qualifications and ideology while still in the school chair.

*Fifthly*, Logistics students can be supported in visiting businesses, practicing, learning practical skills at businesses' businesses. The purpose of this activity is to bring students closer to the reality of the job, clearly defining the job position in the industry for professional orientation. Through this discovering activity, logistics enterprises can also train and foster qualified students as the sources of recruitment. Implementing this solution will help businesses reduce the time of additional training, help students adapt to the corporate culture and help the school increase its reputation in training.

*Sixthly*, cooperation and exchange in academic activities should be made. These activities include cooperation in organizing scientific conferences, scientific seminars, sharing seminars from personnel of enterprises, cooperating in writing public articles published in publications, providing scientific research data and providing scientific research results... Academic exchange contributes greatly to approaching development trends in scientific research and its relevance to the practical operations of Logistics enterprises. The school will approach the needs and development trends of the logistics industry in fact, businesses can grasp the new models, products and research trends.

*Finally*, each student must have a proactive, positive attitude to learning, exchanging knowledge, professional skills and soft skills such as communication, information technology, foreign languages ...

#### 4. CONCLUSION

A training industry that wants to succeed and develop needs a connection between the State, schools and businesses. Having done so, the training of new human resources is developing in the right direction, saving time, helping students - students after graduation, be recruited to work immediately, without additional training. In the field of Logistics, the creation of the relationship between Logistics human resource training institutions and businesses in this field will help students have a more comprehensive view both in theory and practice in the training program. create, meet employer requirements. The process and content of cooperation will be based on the goals and strengths of the units, but the goal of this connection will meet the expectations of the parties and the overall development of the industry. However, due to many objective and subjective reasons, it is still necessary to have certain adjustments and research and deployment in training in cooperation with Logistics enterprises.

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