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Thi Hoa Nguyen
Ho Chi Minh city University of
Transport, Ho Chi Minh city,
Vietnam

Phuoc Quy Phong Nguyen
Ho Chi Minh city University of
Transport, Ho Chi Minh city,
Vietnam

Thi Minh Hao Dong
Ho Chi Minh city University of
Transport, Ho Chi Minh city,
Vietnam

Correspondence:
Thi Hoa Nguyen
Ho Chi Minh city University of
Transport, Ho Chi Minh city,
Vietnam

The human management as a key for the port development in Vietnam

Thi Hoa Nguyen, Phuoc Quy Phong Nguyen, Thi Minh Hao Dong

Abstract

In fact, before 2007, Vietnam's seaport system was still poorly rated for quality, backward, especially for container ships operating on remote sea routes. However, since 2007 up to now, Vietnam's seaport system has made a breakthrough development. The capacity of general ports and regional hubs has been newly invested, renovated and upgraded to accommodate ships of 30,000 - 200,000 tons. Particularly, Ba Ria-Vung Tau port has successfully received the world's largest container ship with a capacity of 18,300 TEU (194,000DWT), which has confirmed that Vietnam's seaport capacity is catching up with the development trend of the world's fleet. . In addition, investment projects on public infrastructure development and leading projects are strongly attracting the private sector to invest, many port operators and large shipping lines of the world. Came to participate in seaport exploitation in Quang Ninh, Hai Phong, Ho Chi Minh City, Ba Ria - Vung Tau. This shows that the development orientation of seaports in our country today is on the right track, meeting the development needs of the economy. Recently, the Prime Minister has issued a Directive requesting the implementation of solutions to reduce logistics costs, and effectively connect the transport infrastructure. Logistics costs of a country depend heavily on the hardware factors of logistics infrastructure and software factors as mechanisms and policies. To reduce logistics costs, Vietnam needs to improve both factors. In order to implement groups of solutions to reduce logistics service costs such as the Prime Minister's Directive, the maritime industry will review and finalize the plans for development of the seaport system towards strong seaward progress. , minimize channel restrictions and get closer access to international shipping routes in the South China SeaThe seaport has been identified as a central hub for deploying solutions to connect transport modes. To plan the development of inland ports to support seaport operation, contributing to restructuring the transport market share of modes, facilitating goods transportation from seaports to production, distribution centers, consumption is throughout.

Keywords: human resource management, economic development, sea port

1. Introduction

According to the forecast of the development of Vietnam's seaport system, by 2020, Vietnam will need to transport goods by sea about 640 million tons and about 1.1 billion tons by 2030. On that basis. , the capital demand for the period of 2016 - 2020 for the development of Vietnam's seaport system is estimated at VND 80,000 - 100,000 billion. In particular, public port infrastructure is expected to account for about 30-40% of the remaining capital from the private sector, including domestic and foreign capital. However, with a double-digit growth rate, while the State's investment resources for seaport systems have reached the limit, making Vietnam's logistics costs among the most expensive goods in the world. The presence of private economic groups is an inevitable trend but they are facing many challenging problems. Commenting on the marine economy, traffic connection on October 26, according to National Assembly member Duong Minh Tuan (delegate of National Assembly delegation of Ba Ria - Vung Tau province), Cai Mep - Thi Vai port alone paid VND 90,000 billion in 5 years. The central government collected over 90,000 billion dong but spent more than 5,700 billion dong on investment, about 6%. It means that the central government spends 6 billion dong to collect 100 billion dong. However, in reality, the operating capacity of Cai Mep - Thi Vai port is only about 40%, while this is the transshipment port of the region. The main reason is high logistics costs, lack of synchronous

connections between roads and ports ... The southern key economic region has two expressways, Long Thanh - Ben Luc and Trung Luong - Long Thanh - Dau Giay . Therefore, it is advisable to build more bridges from the port to the highways, to increase the exploitation value and create synchronism in transport connections. It is estimated that three bridges connect to two highways on about 15,000 billion VND. A more comprehensive connection system will help reduce logistics costs, improve competitiveness, and may bring about VND 24,000 billion to the budget each year, increasing the capacity of exploiting Cai Mep - Thi Vai port, about 80%. Vietnam's logistics costs currently account for an average of 21% of product cost, which is a very high percentage of costs compared to developed countries. The scale of logistics service industry currently accounts for 3-4% of GDP and has a rapid growth rate of 15-20% / year, it is expected that the scale of this service industry will contribute 8-10% of GDP by 2025. Experience from developed countries, effective improvement of logistics operations will contribute significantly to the efficiency of the economy. But investing billions of dollars in infrastructure projects is a tough problem for even the "giants" in the world, while Vietnam's private economic groups are not strong in terms of potential and capacity competition and professional organization. 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. 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. 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.



Fig. 1: Seaport system in Vietnam

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. Under the model of service port, the State owns all land and seaport waters,

the State invests in the construction of seaport infrastructure, workshops, warehouses, cranes, loading and unloading equipment and directly manage human resources for cargo handling, transportation, warehousing and most other ancillary services. This model has the advantage that all jobs from investment in infrastructure construction, warehouse construction, equipment procurement, and loading and unloading of goods and storage are handled by a state organization responsibility, ensuring concentration and unity in operation and administration. However, the disadvantage of this model is that it is passive and inflexible in construction investment and port operation; insensitive and difficult to deal quickly and promptly with arising problems; Without the participation of the private sector, it is impossible to take advantage of the inherent capabilities and advantages of this component; Restrictions on capital investment in construction and modernization of equipment as well as the application of advanced and flexible processes in port operation management due to dependence on the state budget; Lack of international competitiveness, resulting in inefficiency in investment in construction, management and port operation. The exploitation has no market orientation and lacks innovation.

2. Human resources in port system

Under the model of tool port, the State owns land, constructs infrastructure of wharves, workshops, warehouses; invest and purchase main equipment for port operation as needed. Human resources and provision of cargo handling and warehousing services undertaken by private organizations; other support services are provided by both public and private sectors. This model has the advantage that the investment in infrastructure construction and the procurement of main equipment decided and provided by a state agency should avoid duplication of equipment investment. However, there are still disadvantages that are easy to cause conflicts between the State and the private; because the private organization does not own major equipment, it does not tend to develop into a company. This causes instability and restricts business expansion in the future. On the other hand, this model is also at risk of inefficient investment and lack of innovation. Under the model of port owner, the State owns all land and water in the port, investing in construction of port and harbor infrastructure; Private organizations are allowed to hire port and bridge infrastructure to build warehouses and yards, invest in all equipment and provide cargo handling, transportation and warehousing services. Other support services provided by both public and private. This model has the advantage of being a more specialized private mining organization due to its long-term, stable contract and the right to actively invest in the equipment necessary for its operation. On the other hand, private operators are often more sensitive, more flexible and able to meet the market better. The downside of this model is that there is a risk of exceeding capacity due to the pressure of private operators as well as the risk of misdiagnosing the appropriate time to increase capacity.

In the model of a private port, the private organization is entitled to own all land and water in the port, invest in the construction of infrastructure of bridges, seaports, workshops, warehouses and equipment procurement. Suffers; manage human resources for cargo handling, transportation, warehousing and provide most of the other

support services. This model has the advantage of creating maximum flexibility in investment in construction and port operation; no direct intervention from the Government; Port land ownership allows proactive port development according to market orientation and in port policy. In the case of redevelopment, private port operators are likely to gain a high price in selling port construction land. On the other hand, the strategic location of the port land area may also provide opportunities for private operators to expand their business scope. The downside of the model is that there is a risk of monopoly behavior; the government (central or local) loses its ability to implement long-term economic policies in port operation. In case of necessity to rebuild the port area, the Government must bear the cost of acquiring such land. In addition, private owners may also speculate on port land, posing risks to the Government. 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. 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%. 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. 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. 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.

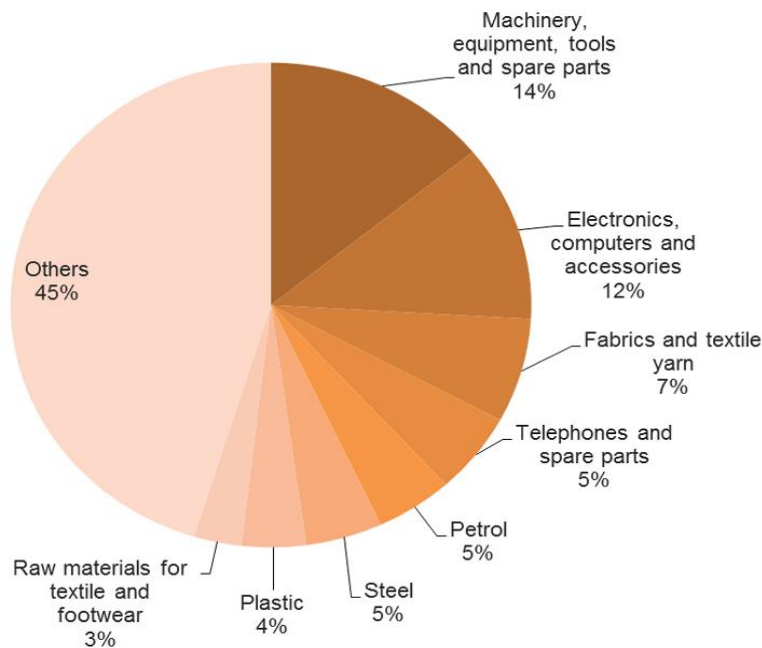


Fig. 2: Major import items

In order to have a developed logistics service industry, the training process should be fully implemented in three main 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. The large recruitment market, low staffing capacity and inexperience, unsatisfactory human resources, ... are the "immortal songs" about the human resource status of Vietnam's logistics industry for many years. According to technasia.com, Vietnam is one of the four Southeast Asian countries with the potential to develop both logistics infrastructure and systems. However, our country still faces a series of challenges in this field for many years. The most

typical is probably the most expensive logistics cost in the world, accounting for 21-25% of the country's GDP, equivalent to 37-40 billion USD, 6% higher than Thailand, 12% Malaysia and 3 times higher. Singapore times. In addition, the World Bank's Logistics Performance Index shows that we have fallen 12 places in 2016 (64/160); only 1300/3000 Vietnamese logistics providers are active and most of them are small and medium-sized, along with a few large enterprises such as Gemadep, Tan Cang or Transimex; A large market share still belongs to a series of multinational corporations providing leading logistics services such as DHL, Damco, DB Schenker, Nippon Express, Panalpina. 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. 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. 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. 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 cannot 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. 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 %. According to the Vietnam Maritime Administration, by June 2019 the number of ships flying the Vietnamese flag was nearly 1,600. With the number of about 4,000 seafarers who have a certificate of professional ability to work on the ship, in theory, the number of Vietnamese seafarers can still meet the needs of the domestic fleet, an average of about 15 persons / ships, including the needs of ships flying foreign flags. But in fact, ship owners increasingly difficult to recruit crew members, especially those with experience, high skills. This shows that many seafarers with certificates of professional competence have quit their jobs and transferred to other jobs on the shore. At the same time, young people are increasingly less interested in attending seafarers training facilities. Maritime industry in general, the job working on ships in particular has no longer attractive. According to data from training institutions, the number of crew members recruiting over the years from 2011 to 2017 has decreased significantly, only in 2018, the number of enrollments began to tend to inch up. Specifically, the enrollment data of the Deck of the training institutions in 2011 was 2,419 students but in 2017 there were only 1,085, in 2018, there were 1,188 students. However, the enrollment figures for the Mechanics of training institutions in 2011 was 2,457 students, until 2017, there were only 900 students and 991 students in 2018. In a

short time, the training scale decreased by nearly 1/3. Universities and colleges do not have enough resources to recruit students, students and trainees after graduation also give priority to finding jobs on the shore, not keen on going to sea. Pressure on demand for seafarers has broken the regulations on crew quality standards for recruitment of companies that have been in use for many years, many foreign companies have begun to move to operate in boat markets. Other tablets. Importantly, at present, Viet Nam does not guarantee the training of a contingent of young crew members when the seafarers reach retirement age. On the other hand, the quality of Vietnamese crewmen has not been highly appreciated by foreign and domestic shipowners through the evaluation of domestic and foreign shipowners, Vietnamese crewmembers are generally agile, resourceful, and quickly grasp the operation of modern machinery and equipment. However, Vietnamese seafarers still have many limitations in practical experience, foreign language skills, awareness and unprofessional working style.

3. Conclusion

In this day and age, when the 4.0 industrial revolution has been booming in Vietnam, Logistics and Supply Chain Management has become one of the most useful tools and means to help businesses link up. It is important to understand that logistics and supply chain management is an industry that can be applied in many fields. In the economic sector and in any type of business, this activity is one of the important components, contributing to promoting economic development.

To overcome the shortage of human resources in port operation and logistics services, experts believe that it is necessary to integrate the program on seaport exploitation, especially logistics services, into the formal training content in University; increase the quantity and quality of training; train lecturers to replicate the development of human resources. Besides, it is necessary to set up logistics training center to improve logistics capacity in some areas and especially in Ba Ria - Vung Tau; It is necessary to coordinate with specialized State management agencies, training schools and port operators, logistics services ... in improving the capacity and knowledge of exploitation and logistics. . In addition, propaganda awareness for society, organizations and individuals about the importance and the need to train logistics human resources to improve business efficiency and world economic integration. be paid attention to. Currently, many businesses in Vietnam are very thirsty, even crisis needs human resources Logistics and Supply Chain Management for many reasons. Firstly, because these two industries are involved in many stages of production and service provision. Secondly, there is not much official workforce in this field in Vietnam, most businesses have to use personnel in the near field or retraining leading to low productivity. Research and development of Ho Chi Minh City on the quality of Logistics human resources said that in Vietnam, 53.3% of businesses lacked staff with professional knowledge and knowledge about Logistics. The Center for Labor Demand Forecasting and labor market information in Ho Chi Minh City also said that there are at least 300,000 enterprises nationwide participating in the field of Logistics, with about 1.5 million workers working in Logistics.

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