

HUMAN RESOURCE MANAGEMENT AT LONG HAI LIMITED COMPANY, VIETNAM

Vo Thy Trang¹, Pham Van Cuong²

¹ Lecturer, Faculty of Economics - Academy of Finance, Ha Noi, Viet Nam.

² Graduate students of the Academy of Finance, Ha Noi, Viet Nam.

ABSTRACT

This study identified and accurately assessed the current state of its human resource management at Long Hai Co., Ltd. through specific criteria such as: recruitment quality, job-to-employee fit, training effectiveness, employee engagement, and compensation policies. Based on this, the study will propose solutions to improve and perfect human resource operations in various aspects such as planning, recruitment, utilization, training, and performance evaluation. A detailed implementation plan for improving human resource management quality at Long Hai Co., Ltd. will be developed. This paper has significant practical implications for improving human resource efficiency, thereby contributing to cost reduction, increased revenue, improved employee income, and sustainable business development. Reorganizing the human resource system scientifically will help the branch optimize its labor structure, rationally assign tasks, and maximize individual capabilities.

Keyword: human resource management, labor resources, employees, training, wages

1. INTRODUCTION

Globally, human resource management has been recognized as a key strategic function, directly linked to organizational performance and competitive advantage. Armstrong & Taylor (2020) and Dessler (2017) affirmed that human resource management is a strategic function closely tied to organizational performance, encompassing not only administrative activities but also long-term human resource strategic planning.

In a market economy, every business is affected by a highly competitive and challenging environment. To survive and thrive, there is no other way than to manage human resources effectively. Successful human resource management is a sustainable foundation for the success of all activities within an organization.

Vietnam is undergoing digital transformation and the trend of applying technology to production and business. These new requirements place demands on the workforce, professional skills, creative thinking, and adaptability. This requires human resource management to not only meet current tasks but also to have a long-term vision, aiming for sustainable development for the enterprise.

According to Decision No. 2289/QĐ-TTg promulgating the national strategy on the Fourth Industrial Revolution until 2030, the goal is to develop Long Hai Co., Ltd., Vietnam into a strong enterprise in the non-alcoholic beverage industry in general and the jelly industry in particular. The company has always identified improving the efficiency of human resource management as its most important strategy. This is because it is a decisive condition for the enterprise to stand firm and develop in today's competitive environment. Long Hai Co., Ltd. has paid great attention to and focused on managing and utilizing its human resources, but in reality, the results have not been as effective as desired.

Long Hai Co., Ltd. still has some limitations that need to be overcome to help the company develop according to its strategic goals, such as human resource planning mainly based on management experience; the organizational staff has not yet fulfilled their advisory role; job analysis also lacks a specific job description for each position; the company's current training program is unsystematic, still individualistic and therefore inconsistent; and lacks a training program aimed at long-term human resource development goals for the company,...

2. LITERATURE REVIEW

Nguyen Thi Thanh Binh (2020), "Trends in Human Resource Management in the Digital Age," have indicated that businesses are shifting from rigid human resource management models to flexible, data-driven systems. The study emphasized the role of technology in automating HR processes, from recruitment and training to performance evaluation. However, the study only focused on general trends, surveying small and medium-sized enterprises with simple organizational structures, and did not address the challenges of multi-level and multi-sectoral coordination.

Truong Thi Hue (2021), "Human Resource Management in the Digital Age and the Role of Knowledge Management," argues that in the knowledge economy, sharing and exploiting knowledge among departments is a core element creating a competitive advantage. The study proposed solutions for building a learning culture and a knowledge management system within businesses. However, this study mainly surveys small and medium-sized enterprises with simple organizational models and has not yet addressed the problem of knowledge management in a multi-level, multi-industry system.

Le Quang Vinh (2022), "Innovating the Human Resource Management Model in Enterprises," focuses on the aspect of performance evaluation. The study proposed building a competency framework and applying KPIs (Key Performance Indicators) to measure employee performance, with the view that performance evaluation should be conducted regularly, transparently, and linked to the strategic goals of the enterprise. However, the study did not address the issue of synchronizing the evaluation system in the parent-subsidiary company model – a major challenge when subsidiaries have different industries, sizes, and labor characteristics.

Nguyen Thu Huong (2023), in her study "Human Resource Management in the Logistics Industry in Vietnam," analyzed the shortage of high-quality human resources in the logistics industry and proposed solutions for training and attracting talent. This study only considered a single industry and did not examine it within the context of a multi-industry corporation, where logistics is just one link in the chain of operations.

3. CONTENT

3.1. The result of of Human Resource Management Content at Long Hai Co., Ltd.

The company has developed comprehensive policies, strategies, and plans in accordance with the ISO 9001-2008 Quality Management System standards regarding recruitment and training processes. It provides a long-term development orientation for the company in general and its human resources in particular. This reflects the company's mission of prioritizing people as the foundation for sustainable development.

The company regularly contacts and employees recruits from colleges and vocational schools, ensuring the human resource development needs for production and business.

The placement and utilization of human resources are based on their expertise and qualifications. This helps employees perform their jobs according to their training skills, while minimizing the risk of retraining for the company. - The salary and bonus system has encouraged employees to compete in production, increasing labor productivity.

The company has focused on training and developing its current human resources: improving and standardizing quality within the organization. It has created a healthy and cooperative work environment among members, increasing cohesion, sharing experiences, and helping each other to progress. The company has clearly defined its goal of placing people at the center of development, as the most important factor ensuring sustainable development.

3.2. Limitations of Human Resource Management Content at Long Hai Co., Ltd.

Job analysis is an important basis for forecasting and planning human resources, but Long Hai Co., Ltd. has not focused on job analysis, mainly relying on regulations regarding the general functions and duties of the company's departments.

Regarding recruitment activities: Recruitment sources: Only internal sources have been focused. This has limited opportunities for the company to select candidates from outside. During the recruitment process: The effectiveness of recruitment has not been highly rated, as evidenced by the relatively high number of employees leaving within the first two months of

their probationary period. In particular, the company has not implemented a recruitment effectiveness evaluation process.

Regarding training and development: Training requires an accurate and highly effective quality assessment system. Assessment should cover both the training program and the job performance after training. The effectiveness of the training program is the basis for raising employees' awareness of current and future job skills and knowledge so that they can perform their jobs with the desired results set by the organization. Therefore, to maximize benefits for the organization, a good training program is essential, followed by employees' ability to flexibly apply what they learn to their work. In reality, this assessment has not been implemented by the company.

The management has recognized the importance of human resources but has not invested adequately in human resource development and training, lacking a clear and specific human resource plan and strategy.

The current labor allocation system is primarily based on professional qualifications and training, neglecting personal skills and qualities, thus limiting the development of individual capabilities.

Performance evaluation lacks scientific rigor and is heavily influenced by the subjective opinions of managers.

While the company's compensation system is emphasized, it is insufficient to attract and retain employees long-term.

The policy for attracting and developing human resources is not fully developed, resulting in suboptimal utilization of human resources. Some departments suffer from both surplus and shortage, and lack expertise. Human resource development lacks focus and priorities. There is insufficient attention paid to shifting the structure of human resource quality towards improving professional and technical skills, and developing high-quality, comprehensive human resources (in terms of intellect, professional competence, etc.) at all levels. The company's current recruitment sources are primarily internal recruitment and recruitment of the children of internal employees. This policy has certain limitations on recruitment competition, causing many external candidates to lose job opportunities, while the company also loses the chance to recruit the best candidates.

There is insufficient focus on human resource planning, merely conducting simple statistical calculations of personnel needs from subordinate units. Therefore, annual labor plans are not truly aligned with reality, lack scientific basis, are formalistic, subjective, and lacking in proper understanding of human resource planning. The process of developing annual human resource plans lacks a comprehensive perspective.

4. SOLUTION

(1) The organization implements human resource planning in a proactive, scientific, and flexible manner.

Table 1. Implementation plan for activities to improve human resource planning at Long Hai Co., Ltd.

3.3. Causes of these problems

Work	Host <u>unit</u>	Coordinati ng <u>unit</u>	<u>Implement ation time</u>	KPI
1. Build and operate a centralized HR database.	Departmen t of Organizati on - Labor and Wages	Functional Departmen ts	Construction completed on a monthly/qu arterly basis;	- 100% of employees have complete digitized records. - Information update time: ≤ 5 days after changes occur. - User satisfaction rate ≥ 85%.

Work	Host <u>unit</u>	Coordinati ng <u>unit</u>	<u>Implement ation time</u>	KPI
2. Quantitative analysis of periodic workforce turnover.	Departmen t of Organizati on - Labor and Wages	Functional Departmen ts	Quarterly (internal report);	- Detect at least 3 early warnings of potential staffing shortages each year. - Accuracy rate of forecasts (error margin $\leq 10\%$).
3. Develop a human resource plan aligned with the development strategy.	Departmen t of Organizati on - Labor and Wages	Functional Departmen ts	Complete the framework plan: Monthly/An nual updates	- Detailed plans are in place for each key project (Logistics Center). - Personnel preparation time before each project is ≥ 12 months.
4. Develop at least three staffing scenarios for special situations.	Departmen t of Organizati on - Labor and Wages	Functional Departmen ts	Review and update every 6 months.	- Number of approved scenarios ≥ 3 - Scenario activation time when a situation occurs ≤ 48 hours
5. Organize regular inter-unit human resource planning meetings.	Departmen t of Organizati on - Labor and Wages	Heads of functional departmen ts	Monthly (meetings); Quarterly (seminars)	- 100% of participating units fully comply. - Number of plan adjustments based on unit proposals ≥ 4 times/year.
6. Incorporate human resource planning targets into the KPIs of the Human Resources and Payroll Department and the Human Resources Director.	Board of Directors	Departmen t of Organizati on - Labor and Wages	Applicable quarterly	- On-time recruitment plan completion rate $\geq 95\%$ - Percentage of key positions with available alternative plans (succession plans) $\geq 80\%$

(2) Develop a job-specific KPI system linked to job descriptions, evaluation processes, two-way feedback, and a multi-objective linkage mechanism.

- Develop and standardize job descriptions for each position: (i) job objectives; (ii) specific duties and responsibilities; (iii) competency, qualifications, and skills requirements; (iv) reporting and collaboration relationships

- Building job-specific KPIs based on a target matrix and weights: From the job description, the Human Resources and Payroll Department collaborates with unit leaders to build a personalized KPI set for each job title. Each KPI set includes a maximum of 5–7 indicators, belonging to the following groups: (1) Job performance KPIs (quantitative, linked to output/sales/progress); (2) Behavioral and competency KPIs (procedure compliance, sense of responsibility, cooperation);

(3) Development KPIs (contribution of initiatives, completion of training courses).

Establish a unified KPI evaluation process across all employee groups: Issue a KPI evaluation process including the following steps: (i) employee self-assessment; (ii) direct manager assessment; (iii) feedback and adjustments at the evaluation meeting; (iv) approval and archiving. Evaluation frequency: monthly (quick monitoring), quarterly (formal assessment), annual summary (comprehensive assessment, serving as a basis for bonuses and promotions). This process must be applied uniformly throughout the entire Corporation.

- Implement a two-way (360°) feedback mechanism and continuous improvement:

In addition to top-down evaluation, Long Hai Co., Ltd. needs to build a two-way feedback mechanism, allowing employees to provide feedback to management on leadership style, support, and fairness. Every six months, conduct anonymous surveys on satisfaction with the evaluation process and KPI allocation. The feedback results are compiled and published so that departments can adjust and improve the KPIs to suit the actual situation.

- Linking KPI results with compensation, training, and appointments, building a clear mechanism:

+ For compensation: Performance is rated on a 5-point scale (Excellent – Good – Satisfactory – Needs Improvement – Poor). Quarterly/annual bonuses are calculated using a coefficient based on the rating

+ For training: Employees rated "Needs Improvement" are required to participate in professional or technical skills training courses; employees rated "Poor" must have a supervised improvement plan (PIP). "Excellent" employees are prioritized to participate in advanced training courses and management courses.

+ For appointments and promotions: A KPI evaluation result of "Good" or higher for two consecutive years is a mandatory condition for consideration of promotion to a higher position. The human resources department maintains performance evaluation records as a basis for succession planning.

(3) Develop a competitive and flexible compensation policy to attract and retain talent.

Build a position-based salary scale (3P compensation system)

needs to shift from seniority-based and administrative rank-based compensation to position-based compensation based on the 3P principle:

+ Pay for Position: Determining the basic salary for each job title based on job value analysis (using a scoring or ranking method).

+ Pay for Person: A supplementary salary based on skills, language certificates, computer skills, and qualifications relevant to the job requirements.

+ Pay for Performance: Variable rewards based on KPI evaluation results.

The salary scale is built for each job title group, each group having 5–7 salary levels, with a minimum gap of 8–10% between levels to create motivation for advancement.

Redesign the performance-based bonus mechanism using a tiered model: This creates clear motivation and encourages exceeding targets instead of just achieving them.

Add bonus mechanisms for office and support staff.

Positions such as accounting, human resources, administration, IT, and environmental departments currently lack performance-based bonuses. The following should be added: Project bonus: If an employee participates in a key project; Year-end bonus: Category A (Excellent): 1.5–2 months' salary; Category B (Good): 1 month's salary; Category C (Satisfactory): 0.5 months' salary. Categories D (Needs Improvement) and E (Poor) have no bonus.

Upgrade benefits towards diversity, flexibility, and personalization.

Policy for recognizing and honoring contribution: Honoring outstanding employees quarterly: Each quarter, select 1–2 exemplary individuals, award certificates, and provide internal media bonuses; Innovation Award (every 6 months): Awarded to individuals/groups with proposals for technical improvements, cost savings, and productivity enhancements that are implemented.

5. CONCLUSION

This study aimed to explore measures to continuously improve human resource management are being implemented to enhance the operational efficiency of Long Hai Co., Ltd, Việt Nam. Over the years, Long Hai Company Limited has initially built and perfected its human resource management, improving the material and spiritual well-being of its employees and creating motivation for them. However, alongside the progress in its human resource management and development, the company still faces some difficulties, limitations, and shortcomings in its implementation. The specific solutions are as follows: The organization implements human resource planning in a proactive, scientific, and flexible manner; Develop a job-specific KPI system linked to job descriptions, evaluation processes, two-way feedback, and a multi-objective linkage mechanism; Develop a competitive and flexible compensation policy to attract and retain talent.

REFERENCES

- [1]. Nguyen Van Diem and Nguyen Ngoc Quan (2024), Human Resource Management Textbook, National Economics University Publishing House, Hanoi.
- [2]. M. Hilb (2017), Holistic Human Resource Management, Statistics Publishing House, Hanoi.
- [3]. Long Hai Co., Ltd. (2023, 2024, 2025), Production and Business Report.
- [4]. Long Hai Co., Ltd. (2023, 2024, 2025), Regulations on Organizational Management of Labor
- [5]. Armstrong, Michael, 1928-. Armstrong's handbook of human resource management practice / Michael Armstrong. – 12th ed. p. cm. ISBN 978-0-7494-6550
- [6]. Shane, S., Locke, E. a., & Collins, C. J. (2003). Entrepreneurial motivation. Human Resource Management Review, 13(2), pp.257–279.