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Human resource development in enterprises: The case of telecommunication of ho chi minh city

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Abstract

High-quality human resources are human resources with good knowledge, skills, and abilities, with basic and in-depth training to meet the requirements and tasks of the country's reality and the current labor market. Developing high-quality human resources is considered an important and key factor to ensure economic development, deep integration, sustainability and stability in the context of the new era of knowledge-based economy development (General Statistics Office, 2021). In order to understand the importance of human resource development in the context of operations of telecommunication enterprises in Ho Chi Minh City (HCMC), the author has proposed a model with factors of recruitment, training and career development, working environment and remuneration policy in relation to corporate culture. The proposed model from this study can be a premise for quantitative studies to determine the influence of factors of recruitment, training and career development, working environment and remuneration policy, in relation to Human resources development.

Keywords: Human resources, human resource development, telecommunications, corporate culture

1. Introduction

Since the late 90s, organizations and corporations have begun to pay attention to the topic of human resource development. Since then, many governance and operating models have been built and widely deployed, typically Harvard's human resource management model, Michigan's human resource management model (1984), Morrison's human resource management model (1996). And recently, the domestic research context has promoted human resource management models such as Nguyen Huu Than (2010), Do Phu Tran Tinh (2012) [10].

According to Bui Van Nhon (2006) [7], human resources are always considered a factor creating the success of any organization. It is the most important resource, determining the productivity, quality as well as the effective use of other resources in the organization. For telecommunication enterprises, human resources are always a decisive factor for the existence and development, because the telecommunication enterprises require a large number of personnel, skills and specialized knowledge.

According to the Overview of the situation of the telecommunications industry in Vietnam (General Statistics Office, 2021), "the number of landline phone subscribers tends to decrease sharply, by the end of 2020, there were only 3.2 million subscribers, a decrease of 41% compared to the same period in 2015 and a decrease of 78% compared to the same period in 2010. The operation of the fixed telephone service segment is now only in moderation, mainly serving the block of agencies and government organizations. For businesses and households, the remaining percentage of landline phone subscribers is very small. By the end of 2020, the whole country had only 123.6 million subscribers, less than the number of subscribers in 2015".

Facing that situation, many reasons have been identified by experts, in which human resources are one of the reasons that experts consider the weakness of Vietnam's telecommunications industry. Although Ho Chi Minh City (HCMC) is leading in terms of economy and technology development, this situation cannot be avoided.

In such competitive conditions, Ho Chi Minh City's telecommunications needs to innovate in which to actively develop human resources because it is the decisive factor for all remaining factors and resources.

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Therefore, the analysis of factors affecting human resource development is a very important practical requirement for telecommunications industry managers as well as for specialized researchers..

Therefore, in-depth research on human resource development in telecommunication enterprises will help to better understand the difficulties of telecommunication enterprises in human resource development. Meanwhile, no in-depth research has been carried out for telecommunication enterprises in HCMC.

From the above reasons, the study "Human resource development in enterprises: The case of telecommunications in Ho Chi Minh City" is very necessary and practical..

Accordingly, the overall goal of the study is to find out the components and factors affecting the human resource development ability of telecommunication enterprises in Ho Chi Minh City so that they can propose directions and policies to develop human resources for the study area.

2. Theoretical background

Telecommunication is the transmission of various types of information over long distances through various forms of transmission (Moulton, 2001; The Ordinance on Posts and Telecommunications; 2002) [16]. In this study, the scope of Vietnam's telecommunications industry will be understood to include: telecommunications equipment manufacturing activities, telecommunications service provision activities (basic services and value-added services) and internet service provision.

Human resources of an organization include all the employees working in that organization with different health and qualifications. They can form a force to fulfill the organization's goals if they are properly motivated and encouraged (Nguyen Tiep, 2005; Tran Xuan Cau and Mai Quoc Chanh, 2008; Bui Van Nhon, 2006; Nguyen Van Diem and Nguyen Ngoc Quan, 2004) [20, 7, 28, 21].

Human resource development is the process of changing the quantity, structure and quality of human resources to meet production and business requirements of an enterprise. At the same time, it also includes activities to improve professional qualifications, improve the working efficiency of human resources as well as the operational efficiency of enterprises (Bui Van Nhon, 2006; Tran Xuan Cau and Mai Quoc Chanh, 2008; Nguyen Van Diem and Nguyen Ngoc Quan, 2004; Gilley *et al.*, 2002) [7, 28, 21, 11].

3. Literature review

3.1 Research related to factors for human resource development

Research by Pham the Anh and Nguyen Thi Hong Dao (2013) related to construction issues shows opportunities for career development, remuneration and working environment, are important factors that have a positive impact on employee engagement. Research by Do Phu Tran Tinh and Nguyen Van Kien (2013) analyzing the factors affecting human resource management in enterprises with young employees shows: promotion opportunities, reward and welfare policy, relationship with leadership, Working conditions and the degree of conformity with career goals have a positive impact on the HRM strategy. Research by Nguyen Thi Phuong Dung *et al.* (2014) analyzes the factors affecting the human resource management of the Can Tho

city office sector, indicating that the influencing factors are organizational culture, knowledge sharing, personal characteristics, relationships between employees and the organization and its structure.

Studies on human resource management focus mainly on personnel-related factors such as talent attraction (through recruitment, selection of personnel, description and analysis of characteristics, work environment and future plans), next is training and developing human resources and finally maintaining human resources (through salary, bonus, remuneration policies, assessment of employees' ability to develop themselves and working relationships with colleagues and leaders, managers).

3.2 Research related to the mediating role of corporate culture

Ngo My Tran *et al.* (2019) studying the influence of corporate culture on human resource development through other factors confirmed the mediating role of the corporate culture factor and identified nine factors related to corporate culture; including training and development, rewards and recognition, risk taking, empowerment, communication, teamwork, decision making, governance policy and planning direction. Ha Nam Khanh Giao (2021) studies and tests the impact of corporate culture on human resource management in Nhat Quang company, shows that the influence of corporate culture factors in decreasing importance includes: Creativity at work, Empowerment, Communication in the organization, Teamwork, Reward - Recognition and Training - Development.

Through a review of some studies on the mediating role of corporate culture in the study of its impact on human resource management, it can be seen that the authors are often interested in aspects of corporate culture such as: recruitment, training - development, factors related to the working environment and remuneration and recognition policies of the enterprise. Besides, the authors also confirmed the mediating role of corporate culture in their research.

4. Research gap

On the basis of systematic research theories related to human resource development, along with the characteristics of human resources in telecommunication enterprises in Ho Chi Minh City have shown the factors of recruitment, training and career development, remuneration policy, corporate culture all have an impact on the human resource development of the enterprise.

However, studies on human resource development for the domestic telecommunications industry are limited when the author realizes the research of Bui Thi Thanh (2014) [6] for telecommunications in Dong Nai. In that context, the study on human resource development for HCMC's telecommunications industry shows a gap.

Along with that, previous studies did not apply quantitative analysis techniques such as reliability analysis with Cronbach's Alpha coefficient, EFA and CFA factor analysis, SEM structure analysis in the process of human resource research and development on the overall scale of HCMC telecommunications industry.

Therefore, by collecting data for the research process, the research will have a combination of research techniques,

both qualitative and quantitative to clarify the problem.

5. Hypotheses and research models

5.1 The relationship of factors to human resource development in telecommunication enterprises

First, the recruitment factor. Storey (2007) [25] stated that recruitment is used by businesses to attract and select individuals who are considered capable to serve the tasks of the enterprise. It can also be described as an identification and attraction of potential business candidates.

Khan (2012) argues that, to increase competitive advantage and efficiency, organizations should implement the process of recruiting and selecting personnel, not necessarily the best, but some degree of concordance can also bring worthy results..

Alsabbah and Ibrahim (2014) [1] have a remarkable conclusion that selective recruitment significantly and positively affects the process of human resource development.

In summary, the role of recruitment (selectively) is very important for business operations in general and telecommunication enterprises in particular in developing and maintaining human resources. From that and in the current research context, the author proposes the hypothesis about the relationship between recruitment and human resource development in telecommunication enterprises as follows:

- **Hypothesis H₁:** “Human resource recruitment has a positive effect on human resource development in telecommunication enterprises”.

Second, the factor of training and career development. According to Aswathappa (2005) [2], training and development is understood as a process and method related to improving the talents, skills, knowledge, abilities, and attitudes of employees to perform specific jobs related to their roles and responsibilities in the enterprise.

Chan and Kuok (2011) [8] also show that training has many causes including keeping up with technological advancements, increasing the accuracy of results, better monitoring, tough competition and meeting customer needs.

For Telecommunication Enterprises, this is really necessary, plays an important and key role, because activities often have to come into contact with modern equipment and technology, it is necessary to update knowledge continuously to keep up with the development trend of the times. The studies of Singh (2004) [23], Marwat and Tahir (2011) [14], Do Phu Tran Tinh (2012) [10]... also mention the influence of training and career development on human resources development. From there, the author proposes the following hypothesis for the study:

- **Hypothesis H₂:** “Professional training and development have a positive influence on human resource development in telecommunication enterprises”.

Third, the working environment factor. Brenner (2004) [5] argues that “the ability to share knowledge across organizations depends on how the work environment is designed to allow organizations to use the work environment as if it were an asset. This helps organizations improve efficiency and allows employees to benefit from

collective knowledge.”

According to Sageer *et al.* (2012) [22], “Employees are completely satisfied and encouraged with good working conditions and environment, due to good working conditions employees feel happy, safe, comfortable and committed to a long-term relationship with the enterprise.”

Tripathi and Singh (2014) [29] define “work environment as a situation in which employees work (physical, cultural, market conditions and job profile)”.

There are also many studies mentioning the relationship of working environment with human resource development in enterprises such as Nguyen Quang Thu (2005) [19], Do Phu Tran Tinh (2012) [10], Huynh Thi Thu Suong (2016) [12]. The author proposes the following research hypothesis:

- **Hypothesis H₃:** “Working environment has a positive influence on human resource development in telecommunication enterprises”.

Fourth, remuneration policy. Mondy (2008) [15] specifically confirms that “Remuneration is the amount of money that employees receive from the organization for the activities and services they perform” and Chew and Chan (2008) [9] argue that “remuneration is one of the essential contracts negotiated between employees and the organization”.

Nazir *et al.* (2014) [17] observed that “sometimes the organization offers attractive remuneration to retain the skilled workforce, providing motivation to the workforce” along with that “a dedicated employees is truly an extraordinary strategy”.

Bamberger *et al.* (2014) [3] emphasize that “remuneration systems and related rewards play an important role in retaining employees and enhancing their performance levels”.

Bibi *et al.* (2017) emphasize that “remuneration is a competitive advantage for organizations to improve performance and increase employee engagement. This means that when employees receive an attractive compensation package, they feel that the organization cares about them, a concept that is also supported by social transformation theory”.

As can be seen, researchers have consistently explained that compensation plays an important role in attracting qualified potential employees and increasing the commitment of employees in general. Studies that mention the influence of remuneration policies on human resource development such as Nguyen Quang Thu (2005) [19], Tran Kim Dung (2009) [27], Vahdat *et al.* (2012) [30], Do Phu Tran Tinh (2012) [10], Huynh Thi Thu Suong (2016) [12]. In summary, the author proposes the following hypothesis:

- **Hypothesis H₄:** “Remuneration policy has a positive effect on human resource development in Telecommunication Enterprises.”

5.2 The mediating role of corporate culture

Corporate culture is outlined by Scheinder and Smith (2004) as

“Overall phenomena in the enterprise such as context, form and ritual, operating environment, values and corporate programs such as performance management, training and development, recruitment and selection”.

According to Martins and Terblanche (2003) [13], “culture is

deeply associated with the values and beliefs shared by employees in an organization. Culture relates employees to the values, norms, traditions, beliefs and principles of the business and brings these values together as a set of standards for conduct, behavior and operations”.

Corporate culture is invisible to the naked eye but is a powerful template that shapes what happens in the workplace. That is why Schneider and Smith (2004) argue that “culture begins with leadership and is passed on to members of the business. It is seen as a set of things that shape and determine people's behavior. The culture of a business is formed as a result of various factors some of which include influences of local area culture, past events, socialization process, results of educational environment and past work.

Businesses in the same region also have differences in cultural content, in terms of the relative order of beliefs, values, and assumptions. For example, some corporate activities value recruitment, training programs and career development, manage compensation and benefits policies, improve the working environment and manage employee performance. Additionally, some appreciate goal setting and performance-based compensation, all aimed at maximizing employee performance and customer service. This will help create a culture of high performance across the business.”.

In summary, the author states that “Corporate culture supports the process of forming consciousness. It helps employees understand how activities and events take place in the business. Employees are also able to communicate

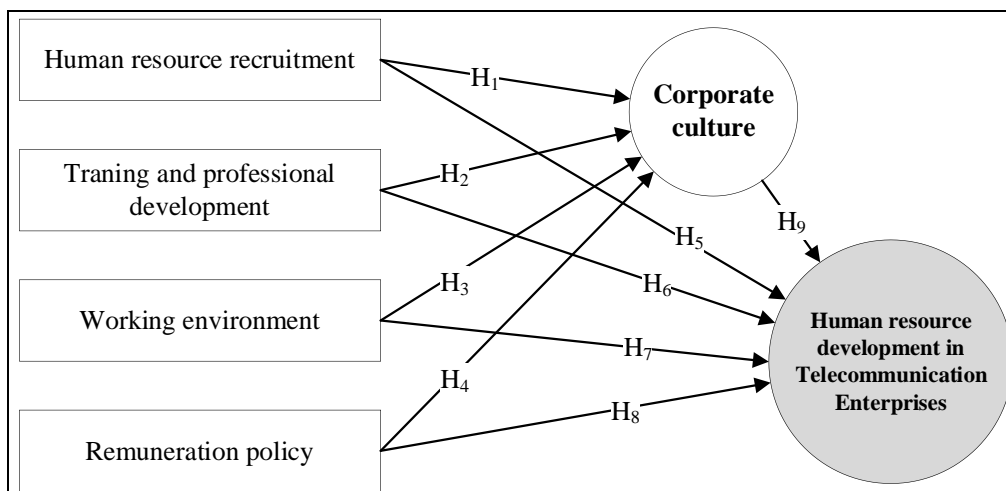
more effectively and achieve a greater degree of cooperation because they share common spiritual values. A business can guide employee behavior by embedding ethical values in its culture”.

Based on the above analysis, corporate culture acts as an influence mediator in the relationship between factors of recruitment, training and career development, working environment and remuneration policy for human resource development in telecommunication enterprise. From there, the author proposes the following hypotheses:

- **Hypothesis H₁:** “Human resource recruitment has a positive influence on culture in Telecommunication Enterprises”.
- **Hypothesis H₂:** “Training and professional development have a positive influence on culture in Telecommunication Enterprises”.
- **Hypothesis H₃:** “Working environment has a positive influence on culture in Telecommunication Enterprises”.
- **Hypothesis H₄:** “Remuneration policy has a positive influence on culture in Telecommunication Enterprises”.
- **Hypothesis H₅:** “Human resource recruitment has a positive influence on human resource development in Telecommunication Enterprises”.
- **Hypothesis H₆:** “Training and professional development have a positive influence on human resource development in Telecommunication Enterprises”.
- **Hypothesis H₇:** “Working environment has a positive influence on human resource development in Telecommunication Enterprises”.
- **Hypothesis H₈:** “Remuneration policy has a positive influence on human resource development in Telecommunication Enterprises”.
- **Hypothesis H₉:** “Corporate culture has a positive influence on human resource development in Telecommunication Enterprises”.

5.3 Proposed research model

Based on the hypotheses, related research and research gaps, the research model is proposed in Figure 1.



Source: Author's compilation (2022)

Fig 1: Proposed research model

The object of the research is the factors and scales affecting the human resource development of enterprises, especially related to telecommunication enterprises.

Survey subjects: employees, staff, and management levels of business units, enterprises, branches of Telecommunication Enterprises.

Primary data sources were collected from June 2022 to September 2022.

The research scale, after being discussed with experts, has 29 observed variables of 6 factors.

Regarding the research sample, to ensure the sample size suggested by Tabachnick and Fidell (1989) [26], the author decided to choose to study 500 samples.

Conclusion

Inheriting the research results from the literature review, gaps, hypotheses and research models, the thesis has identified and implemented the following general and detailed objectives.

Firstly, review the theoretical basis of telecommunications, human resources and human resources development, human resources in economic growth theories. from there, hypotheses are identified and the results of discussions with experts help confirm the formal research model.

Secondly, the research model and scale are adjusted and applied to collect 500 employees, staff and management levels of business units, enterprises, branches of

Telecommunication Enterprises in Ho Chi Minh City.

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