

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

The Impact of Labor Force Changes on Human Resource Management Activities in Vietnam

Dr. Nguyen Nam Phuong

Superior Lecturer, Department of Population and Development,
National Economics University, Vietnam

Dr. Vu ThiUyen

Senior Lecturer, Department of Human Resource, National Economics University, Vietnam

Abstract:

Vietnam is facing the population aging trend, which has a direct impact on the aging labor force. That leads to change in human resource activities to create and sustain the human resource to meet the organization's goals. The question is that how the organization find appropriate ways to implement human resource management activities to adapt to the new situation. This research is about evaluating the impact of changes in labor force on human resource management in Vietnam based on statistical data and opinion of staffs of human resource departments of two organizations such as Pioneer Company and National Economic University. Based on analysis, we point out problems which bring threats to human resource management in Vietnamese organizations including acquiring and staffing (human resource planning, job analysis and design, recruitment and selection, staffing), training and development, maintaining (performance evaluation, compensation, creating motivation, labor safety) suitable employees meeting their objectives in new circumstances. Then, this paper draws some recommendations for Vietnamese organizations to solve these problems effectively to sustain their positions in the national and international markets.

Keywords: *Aging population, changes in labor force, human resource management activities*

1. Introduction

We are living in a rapidly changing world, managers are facing such difficulties like preparing and also adapting to those changes. We are facing the threat of aging population, a global issue which is drawing attention of nations all over the world. This situation leads strongly to aging labor force, which affects deeply to managing human resource in organizations because of its foreseeable results: enormous amount of salary to pay for employees in organizations especially which use seniority-based wage policy, the threat losing traditional skills as the result of lacking concern over passing it through generations, reduce on quality in recruitment and selection, inadaptable to changes in technology and in organizational future plan. In such situation, managers have to be ready to response to instability of the labor market in general and of the organizations in particular.

2. Methodology

The research based on both secondary data and primary data. About secondary data, the research uses information such as books, articles and statistical data from Department of Statistics and annual reports about human resource management of Pioneer Company and National Economics University. About primary data, the research uses information through interviews of human resource managers and staffs of two organizations mentioned above. Based on these data, we generalize, analyze and compare qualitatively and quantitatively to draw the impacts of aging population on human resource management of Vietnamese organizations. These would help managers find suitable solutions for these circumstances effectively.

3. The Impact of Aging Labor Force on Human Resources Activities

3.1. Aging Labor Structure Reducing Labor Supply, Especially Young Labor Force

The table 1 shows the structure of labor force in Vietnam from the age of 15 and above, divided into groups of ages. From the table we can see that the number of employees at the age of 15 and above increased steadily between 2000 and 2017, but each group's distributions has changed dramatically. During the time, people at the age of 15 to 24 accounted of 21.5 % in 2000 that has been decreased to 13.8% in 2017. The same happened with the number of people from 24 to 49 which accounted of 66.1% in 2000 but reduced to 59.5% in 2017. On contrary, people at the age of 50 and older increased from only 12.4% to 26.7%. This shows a clear sign that the human resource is aging. The supply of younger people will reduce, and the number of elder labor will rise, creating pressure on the work. Usually, the older the workers could lead to the less their abilities. Not mention to the inflexibility, incapability of getting used to the new technology resulted in

difficulties in catching up with current market trends, and finally reducing the rate of task completion. Furthermore, the number of workers declined and the number of retiring people increased is also creating pressure on people who are still in the working age. They have to work harder and harder in order to take care of more people in their families. The higher the rates reach, the more pressure it creates. As a result, it is too much difficult for managers to find suitable solutions for such situation.

Year	Total		15-24		25-49		50+	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%
2000	38545.4	100.0	8289.1	21.5	25474.1	66.1	4782.2	12.4
2002	40716.0	100.0	8776.8	21.5	26783.9	65.8	5155.3	12.7
2004	43008.9	100.0	9060.6	21.1	27236.0	63.3	6712.3	15.6
2006	46238.7	100.0	9727.4	21.0	29447.7	63.7	7063.6	15.3
2008	48209.6	100.0	8734.3	18.1	29973.4	62.2	9501.9	19.7
2010	50392.9	100.0	9245.4	18.3	30939.2	61.4	10208.3	20.3
2012	52348.0	100.0	7887.8	15.1	32014.5	61.1	12445.7	23.8
2014	53748.0	100.0	7585.2	14.1	32081.0	59.7	14081.8	26.2
2016	54445.3	100.0	7510.6	13.8	32418.3	59.5	14516.4	26.7
2017	54823.8	100.0	7581.1	13.8	32599.2	59.5	14643.5	26.7

Table 1: Vietnam's Labor Structure in Groups of Ages During 2000-2017

Unit: Thousand People

Source: Vietnamese Department of Statistics, during the Year 2000-2017

Data also shows that labor's quality is low. Comparing the two groups of workers: the younger and the elder; clearly, we can see that the efficiency of the younger groups is much higher. Apart from enthusiasm and flexibility, they are more creative and willing to face with challenges, full of desire to express themselves. They have more time to work for the company and therefore their dedication for the company in long term will be significant. Even though, several elder people are still experienced and sensitive to the market, very skillful after a long time working in the field, but the number of such people is very small. In the world, which is highly unstable and always changes, it's unavoidable that the younger labor force is more preferable.

3.2. The Impact of Aging Population on Human Resource Management Activities

Managing human resource in organization is composed of various activities which are divided into three types of functions: acquiring and staffing, training and developing, and maintaining. For each one, aging labor structure affects differently, leads to diverse consequences that only by deep-understanding we can solve suitably.

3.2.1. Acquiring and Staffing

Firstly, human resource planning is defined as the process of judging, specifying the need of human resource to meet the organizational goal, and making plan in order to meet those targets. Human resource planning is associated with the labor supply and demand of the market. The demand for employees is high but the quality and the quantity of the supply isn't suitable, that is due to the result of aging population.

The trend of aging population could lead to the fact that the number of people over working age (60 and above) is likely to rise and number of people who are in and below the working age is likely to fall. If the situation doesn't change in the future, the supply and demand may not maintain the balance due to the shortage of labor force in both quantity and quality. In the context of quantity, the number of employees will not reach the requirement of the organization's plans. In the side of quality, the labor force may not meet such standard of recruitment and selection such as age, skill or personality, etc. As the phenomenon keeps continuous, human resource planning of each organization and company would face more and more difficulties in specifying the supply and demand and especially how to balance it. Mid-term and long-term plan should be paid more attention and predicting skills should be improved, etc. It's an incredibly complicated issue. In other hand, that leads to call for more sources including financial aid for these plans. For the purpose of conquering all these challenges, we should: i) Observe continuously and closely the aging structure in labor force so as to adjust plans for recruitment and training the new generation of employees; ii) Increase the financial investment for the human resource policies to attract more skillful employees in the future.

Secondly, analyzing and designing job is a necessary work for every organization to form the best condition for employees to complete their jobs. Job analysis is the process of determining and reporting relevant information relating to the nature of job. Job design is a process of structuring work and designating the specific work activities of an individual or group to achieve specific organization objectives. There are three paradoxes that aging population brings about when managers have to face in analyzing and designing job as follow: i) Aging population could create the labor force older and older. This trend will influence the health, concentration, decisiveness of the employees. To make sure that the task is performed as good as possible, we have to reduce the amount of work. As a result, this will call for more employees to fulfill the works and more expenditure for this situation; ii) Aging population shortens the labor supply. So that, if we want to take care of the same amount of work, we'll have to increase the amount of work per each person. In some extent, this would create pressure on them. Besides, the motivation and the effectiveness of designing and analyzing will lose; iii) Aging population means that designing and analyzing need to be very in detail. There must be different requirements

toward each group of people, but companies and organizations might have to violate the rule due to the labor force shortage. Because of that, analyzing and designing job should be done more regularly. Nevertheless, it takes time and money. The more regularly it is done, the more sources the company is lack of.

Thirdly, recruitment and selection is a prerequisite for the success of the organization because it is the first step to help organizations ensure the principle: the right person - the right time - the right place. Recruitment involves seeking and attracting a pool of people from which qualified candidates for job vacancies can be chosen. Quality of the recruitment has a great impact on quality of the selection and other functions of human resource management. Selection is the process to choose the individual who can perform the job successfully from the pool of qualified candidates. Both recruitment and selection relate to the changes in labor market.

Consequently, the shortage of employees due to the aging population will make recruitment and selection face with more difficulties. There are numerous of cases when the number of applicants doesn't meet the target. This leads to two inefficient options: i) Accept all of them and also accept to train all of them with some extra cost and extra time but they will have long-term workers with expected qualities; ii) accept only people who can get in to work right away or need just a little time to train, and accept the fact that target doesn't meet and keep on recruiting. As a result, companies and organizations will lose the meaning of recruitment and selection. Not only the efficiency will reduce, but also the yield ratio and selection ratio will be meaningless. On the other hand, recruitment and selection affect a lot on other human resource management functions. Once this stage isn't completed perfectly, other activities in the companies will meet obstacles simply because human resource is the most basic one of all companies and organizations. Shortage of labor force means that individuals are now more "valuable" as well. In addition, people nowadays tend to overestimate themselves and are likely to go in for occupations that society shows more respect on, highly-paid jobs or in big companies but lose the opportunities to work for places where really need them but is established in particular conditions. This trend affects greatly on small and medium companies and productive business. However, it's not true that aging population only has negative impact on recruitment and selection. In such fields as banking or law, experience and social relationships are extremely useful. Many companies and organizations hire their former employees as advisors or even work contract-based which is very effective and also economical solution for those which are newly-established, lack of experience and potential.

Fourthly, staffing is process of orientating new selected employees, re-arranging the old ones through transferring, promoting or dismissing. Staffing has always been a difficult task for every company and organization. It's even more difficult when aging population is occurring. It isn't easy to place the right person to the right place and meet the organization's target. In the fact, if the organization keeps current human resource, it would face inefficiency because the number of human resource is too high but the tasks can be done by little. If they choose to lay off, the tasks will not be done on time as the older employees work much slowly and lack of labor supply for recruiting.

Aging population has major effects on public sector: public sector includes governmental agencies and offices, political – social organizations which still use a stable lifetime staffing policy. In every three governmental staff, only one actually works hardly. When each one belongs to the organization's human resource without breaching any rules or regulations, once he reach retiring age he just retires. This leads to limit the employment opportunities for younger people. On the other hand, younger employees suitable for the job are more likely to receive less valuable jobs in comparison with their abilities. As a result, some people in this sector have tendency to lose their motivation and push the work to another as they think that getting nothing even if their tasks are done much well. This causes even more trouble for staffing.

In business and non-government sector, staffing seems easier but also faces some problems with aging population: Forelder people with full of experiences, assigning them hard work could reduce dramatically the quality of performance; For people with high seniority but without progression, it's not easy to discharge them as their replacement is still nowhere to be found, leading to the fact that the number of employees is excessive but the work is not performed on schedule.

3.2.2 Training and Development

Training and developing are activities to ensure and improve the quality of human resource; it is the key factor to exist and win in competitive environment. Training and developing is important for the company's development as it will affect directly the workforce of the company. Therefore, it must be done carefully. Aging population is slowly creating pressure on training and developing. As the labor force is now aging fast, more or less their stamina, concentration and data processing will be affected. These lead to receive information more slowly, time consuming and in need of a more appropriate training plan. As mentioned above, because of the lack of labor force, employees will have to take additional job than they should. Unlike the new staffs who has been well- trained and can adapt easily to the current changes and market trends; older ones have more difficulties in training. The costs for employee training and development rise harshly. In the world where technology is continuously improved, employees must try their best to master the technology to fulfill their work. Contradictory to the younger generation of workers who have already gain the accession to the latest technology at earlier age, the older ones need more training with the support of the firm they're dedicating to. On the other hand, the effectiveness of training and development influences other human resource functions in particular and the company in general. Thus, managers have to invest more money on training, causing higher expenditure, impacting on the company's profit, even business strategy. Moreover, the closer they reach to the retiring age, the less time they dedicate to the organization. Investing a large portion of money on something that isn't long-term return is a gamble for the manager.

In addition, training should be done more regularly. When an employee is sent for further education or on training session, he or she can not contribute for the organization. Their place is now abandoned, which slows down the progress of the whole scheme; sometime, the job is shared by others, increasing their amount of work. After the training, the

employee cannot contribute more for the company since there isn't much time they have left. So the investment is unhelpful and unprofitable. When aging population occurs, a number of people don't rest on their laurels, consider them to be right, deal everything with their own experience, gradually become conservative and unlikely to refresh themselves to catch up with the latest trend. That's also a big challenge for managers as well. In short, aging population makes training session to be extended, designed more carefully to be suitable for the older generation. That leads to cost much more money and has great impact on human resource of the company.

3.2.3. Maintaining Human Resources

Firstly, performance evaluation is one of the most vital activities in every company and organization. Performance evaluation is process of collecting and evaluating systematically and scientifically the individual's results of the works of individuals in comparison with performance standards, after that communicating to an employee how he or she is performing the job and establishing a plan of improvement. The result of performance evaluation is the basis for making personnel decisions.

For public sector, aging population brings less effect upon performance evaluation including: Performance evaluation is done less scientifically, sometimes even just for form's sake, egalitarianism; Performance evaluation isn't clear enough. In some cases, employees did their work well but did not get highly appreciation, the rewards belonged to someone else or someone who has worked for a really long time but their capacity is just the same or less than the actual work but still get highly appreciation.

For business and non-government sector, aging population has a large impact on performance evaluation. For instance criteria are always made changes to be suitable for the capacity of employees; different units have different ways to evaluate. They have to adjust themselves depending on labor characteristics in the area in accordance with the balance between business plans and labor costs; the evaluator will have to divide the whole labor force into small groups with respective criteria. This costs more time and money.

Secondly, compensation is all things employees get through their labor contracts including financial (basic compensation: salaries, wages, incentives, benefits) and non-financial (work environment, job retention). Compensation accounts for a large proportion of the cost of products and services of the organization. Changing compensation will directly affect the competitiveness of companies in the market. Companies in Vietnam gain their advantages in competition by having a large and cheap labor force. Aging population will clear out this advantage and turn it out to be an obstacle not only for organizations but government as well. For government, since the average age has been rising recently, more people will become dependent, indirectly create a burden on those people who still work to earn their living. The demand for social welfare, pension and grant from age insurance and unemployment insurance rockets upward with a risk of not meet the need. For business, companies which remain their paying seniority-based method will face with pressure on large salary fund but low performance. Furthermore, social welfare and payment of these people is there bigger concerned. They have more tendency on comparing their personal welfare and pension and lose to pay attention to their jobs. Aging labor force also increases the fare in medical aid accounting the total fund. One of the most basic consequences of human resource is that the older you get, the more you will become unhealthy, and the more you will need for medical care. If human resource of the company gets older, the concern for personal welfare will rise. Accepting the demands has always been complex for both business and governmental units, now it just keeps getting more complex, especially for dangerous and toxic jobs. Sometimes it even creates conflict or pressure on managers and people in the society. Aging population is a complicated issue that has great effect on the labor force. If managers want to deal with this thoroughly, they'll have to take it into concern suitably.

Thirdly, the company or organization which is full of aged employees isn't always good as they have the experience and social relations but lack of the sensitivity, decisiveness and the dare needed as they used to, making the atmosphere at work become still and boring, unhelpful for the development of the company and organization. This phenomenon will also be a challenge for creating pressure or, in another word, difficulties for managers to apply methods and solutions with the aim of raising their spirit, their desire to work voluntarily to finish the job as soon and well as possible. In public sector, unreasonable personnel arrangement may lead to people who have many experience but unable to work and people who are able receive only little and easy, simple tasks. Seniority-based promotion somehow reduces their motivation to strive, express themselves. Same payment for uneven dedication makes people feel unfair, giving them reason to avoid working. In addition, slow transferring labor is a factor that fills the atmosphere with boredom as well. In business units, aging labors are more likely to be more all-rounded and careful. They're afraid of triggering others so that sometimes they are even afraid of raising their ideas. Some others believe that they're "expired", unable to continue their development and therefore out of motivation. Their slow accession to the new knowledge and technology is the reason why they reduce self-esteem themselves so it's difficult to cooperate with the younger ones resulted in less effective in work and lessen their motivation. Finding motivation for the aged labor is much more difficult than for the youthful ones. Furthermore, a few of them nearly reach retiring age so they are lazier than the others. All of these call for the need of a new inspiration for employees so as to increase their work's effectiveness.

Fourthly, labor safety refers to the condition of work which will not harm or create danger for workers in operation. Each company and organization has to make sure that their employees are working in a safe environment, avoid or minimize the risk of getting diseases and accidents or injuries caused by harmful and dangerous factors at work. In reality, as the labor force is now aging, their stamina, concentration and circumstances handling skills are not as good as they used to be. To overcome all these difficulties, organizations must increase their fund on labor protection for those manufacturing workers; research deeply on the ultimate labor organizing plan for both progression and safety purpose.

Moreover, due to changes in the age structure of human resources, the corporate culture will be greatly affected. The age gap between fewer younger and more elder groups in work will affect the cooperation in teamwork. The young likes to take risks more than the old, while the old tends to be more conservative. That would cause a big conflict in opinions between individuals. Finally, it takes time to reach the common decision; increases the costs for solve business problems and weaken corporate culture. As a result, weak corporate culture will reduce long-term organizational efficiency and effectiveness.

4. Case study

4.1. Situation of Pioneer Company from 2006-2013

The figure 1 describes the labor structure of the company due to ages and gender between 2006 and 2013. The red bar presents male workers and the blue one presents the female.

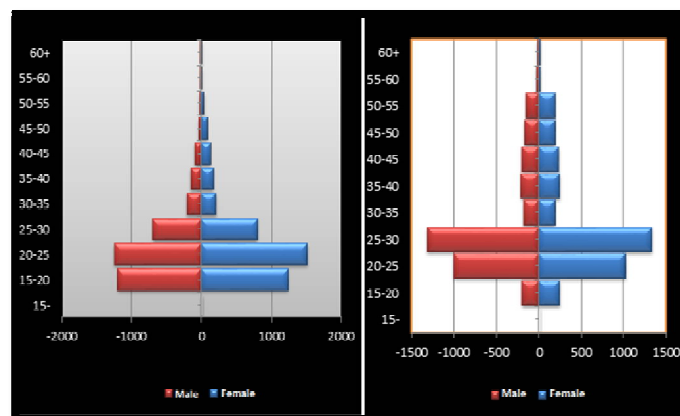


Figure 1: The Labor Structure of the Pioneer Company Due to Ages and Gender between 2006 and 2013

Source: Annual Reports of Human Resource Department, Pioneer Company from 2006-2013

As we can see, although people at the age below 30 still account of a majority proportion (5133 labors, account of 71.61% in total), the figure had reduced by 13.17%. On contrary, the proportion of people at 40-55 seems to have risen dramatically: group of people 40-45 years old increased from 2.9% to 6.03%; people from 45 to 50 climbed from 1.6% to 5.04%. and finally people who are 50-55 enlarged their proportion by more than 3%, from 0.83% to 4.72%. We can all see that the Pioneer Company is now affected by aging population, which impacts directly on its labor force. The effect of aging labor on human resource management in HaiPhong Pioneer Company includes as follow:

For human resource planning: When entering the labor market, Vietnam's population had initially achieved the "Golden Population" state. That's why Pioneer could possess such a large number of workers at their early age. However, in 2013, along with the influence of financial crisis, aging labor force along accompanied with fresh recruitment couldn't meet the quantity required, then the section of people under 30 fell making human resource planning nothing more than a headache. In addition to direct recruitment, part of company's expenditure was used for hiring labor agency to meet human resource demand such as HEZA or Vietnam work.

For analyzing and designing job: Most of Pioneer's workers work on closed chain manufacturer with high – expertise. It's a repeated job that may cause boredom. Workers' target has to adjust lower as workers' stamina and concentration is reduced due to age increased. In spite of that, job analysis and design obliged to provide them the same amount of work as before to keep away from the possibility of not getting the work done in time, also means that such requirements must be breached to ensure of the progress. Managers and CEO working overtime proves that it's not true the company's analyzing and designing job isn't effective but to make sure of the progress, breaching requirements is necessary.

For recruiting and selecting employees: As mentioned before, aging population leads to shortage in labor supply. During 2007-2008, almost every applicant is called for interviews soon as they applied for a job. While in the previous time, workers at Pioneer required senior high school graduation or vocational certificates and employees with bachelors. Then in 2008 and until now, workers only need to finish junior high school in Vietnam and employees only need to finish mid-level school. Furthermore, the age limit for inexperienced labor has been raised from 18-25 to 18-30. It is clear that this is a step backward in recruitment and selection of the company as the quality is getting lower and the average age is getting higher. To explain for this situation, some people claimed that the Japanese manager does not value Vietnam's education system too much and freshmen will be trained from the start regardless of certification. They accept the fact that they'll have to pay extra time and money for training labor to reach their standard instead of finding enough people to get in to work right away. Another negative impact of aging population on human resource management is that the shortage of workers leads to the fact that workers may over evaluate themselves. They have the right to choose their favorite jobs. And then, they prefer to go in for such jobs that they believe will make them get more money such as: banking, accountant, etc. than such that make you work manually 8 hours a day in the factory excluding night shift. This conception makes Pioneer

Company's recruitment full of knots. It's not true that aging population only have negative effect. From the chart we can see that the figure of both percentage and number of labor in Pioneer rose after years (from 11 to 35 and from 0.14% to 0.49%). These people are not official employees but are experts or former managers that were invited to be advisors in order to take the advantage of their experience and relations. The solution seems much cheaper than hiring consulting companies.

For staffing: As people's concentration has been reduced, labors will be arranged alternating male-female, young-old so that they can support each other whenever needed. For those employees who are new to the job, they are arranged to work with people at their position but more experience.

For training and developing: There are two kinds of training available for workers: i) Vocational training for fresh new workers. However, according to training staffs, quality of trainings is low, causing waste of time and money consumption. There are three reasons to explain for this: Low quality recruitment leading to low knowledge acquisition; Middle-aged workers being selected leading to slow technology perceive; Suitable instructor is difficult to find as people who are good enough are usually lack of pedagogy skills and vice versa. Freshmen including employees who are excellent at acquiring new knowledge and technology after 3-5 years will be considered promotion to become team leader and will have a chance to learn Japanese. After reach the satisfactory level of language, they will be transferred to the mother company in Japan for further training so as to become chief managers for further plans. In the time when population aging so fast, the condition is cut down to 1-3 years, motivating all the workers. In addition, a new position for the workers will be provided after the training for completing their skills.

For compensation: For the people over 30 years old, the stable comparison of payment will be their major concern and tend to rise after times. They aren't interested in being controlled so tightly, and a little different in payment is sometimes the reason for leaving the company. The Company itself pays their workers upon their ability and capacity and raises their salary according to route contract without calculating changes in price. Therefore, there has been a conflict in benefits between the two sides. In 2007, approximately 400 workers had gone on strike to object the company's discipline and called for increase in wages. After this event, Pioneer had to raise their workers' salary and rising personal welfare as well.

For creating motivation: Since this is a Japanese company, performance evaluation is a critical. It's difficult to find people who work at different rate but still manage to get the same evaluating result. What makes Pioneer special is that they give their workers and employees rewards and chances to develop the career, especially new young workers. For those who have been contributing for the company in a really long time, they will be re-arranged for a lighter job or to acknowledge their contribution, they won't be sacked. Instead, their salary will be cut down to match their dedication for the job by then. Nevertheless, these people's important duty is still being carried out by them though it might not be effective. On contrary, young people who have abilities to finish aren't counted on and their abilities remain a potential. This is a waste of talent. The Pioneer Company in particular and manufacturing companies in general with aged population all have to face the fact that these people get access to technology really slow and make it hard to develop further and faster. Japanese companies are believed to have an incredibly draconian discipline, which isn't actually accordant to Vietnamese labors. This is the reason why people don't try hard for their job and employees are not willing to get attached to the company. For labor safety: According to a recent record, the number of fault commitment and occupational accident seems to increase because of aging labor force. Hence, the company's payment will have to be raised in order for labor safety improvement. For the purpose of this, workers will have to obey labor safety process otherwise will be punished harshly; Improve working wear, especially workers in the factories; Arrange right people for the right work. Workers are not allowed to work more than 12 hours a day, need to have a break in between the working hours and require suitable nutrition and medical support; Safety courses are continuing being carried out for workers.

4.2. Situation of National Economic University

The table 2 given below illustrated the quantity and structure of NEU's lecturers in 2010. From the table we can see that the proportion of middle-aged lecturers from 40-45 years old is rather small (account of 4.4%). The number of young and older lecturers is nearly the same. The number of lecturers at 30-40 years old takes the largest proportion (about 39.1%). This shows that the expanding recruitment trend in the 90s of the 20 century and the early of 21 century for the purpose of university's innovation.

Group Age	Male		Female		Total	
	Quantity	%	Quantity	%	Quantity	%
20-25	19	5.7	48	12.1	67	9.1
25-30	42	12.5	72	18.1	114	15.6
30-35	85	25.4	120	30.2	205	28.0
35-40	54	16.1	71	17.8	125	17.1
40-45	16	4.8	16	4.0	32	4.4
45-50	22	6.6	39	9.8	61	8.3
50-55	30	9.0	25	6.3	56	7.5
55-60	59	17.6	7	1.8	66	9.0
60-65	8	2.4	0	0	8	1.1
Total	335	45.7	398	54.3	733	100

Table 2: Quantity and Structure of Lecturers in NEU Divided in Groups of Ages and Gender in 2010

Source: Staff Organizing Department, NEU 2010

The lecturers' structure notifies some things that managers must consider: i) Teaching efficiency will be affected as the teaching method of lecturers under 35 and over 55 are different. There aren't many 40-50 years old lecturers to be the reconciliation between the two generations. So that there will be chances that time will be wasted as a job can be done at least twice by both methods of the younger and the older people; projects that need the agreement between generations are unable to be carried out, or when they do being carried out, it will be carried by one of the generations' method but for the consensus of the other. Young managers are quite eager for advancing working methods but face the objection of the senior lecturers and aged employees; ii) Now and in the next 5 years, when lecturers who are also in management position about to reach their retirement age, the need by then is to conduct a new generation of managers, whilst the number of middle-aged people from 40 to 50 years old is in lack of, leading to the promotion of young and green lecturers; iii) According to the statistic, about half of the lecturers are at 30-40 years old, which means they were born in the 70s or 80s of the last century. The university's nature is now and will be affected by the nature of this generation. We can divide the university's lecturers into 3 generations: the first one is the group of people who were born in the 60s and before that in the last century; the second one is the group of people who were born in the 70s and early 80s; and the last one are people from the 80s onwards. The different between the first and the second generation is that the second one does not effort themselves to work like the first one but still find a way to balance between life and work. They want to participate in the process of making decision; unwilling to follow the "order and instruct" culture. They tend to think highly of loyalty and build up capabilities for their profession instead of the employers. The second generation also takes pride in individualism; unlike the previous one who usually proud of their collectivism. The third generation is new to the labor force, who are further different from the other two generation. They are not likely to follow the traditional management activities. They pursue non-stop education progress, always look for multi-dimensional information and update latest technology. They always want safety, respect and balance in their life. They always prepare for new experience and scare of the boredom in life; iv) The female lecturers from 20-30 years old account of the major part of the group has clearly point out the fact that fewer male lecturers have been attracted to the University's job. The same thing happens to group of people 30-40 years old, as a part of them leave the job. The imbalance growth in female lecturers makes it hard to launch any University's training, researching, consulting or linking projects. The culture of female lecturers is also being more popular inside the University's life. In such time, the growing necessity now is to study whether how compatible female lecturer's culture with the University's culture.

5. Conclusion and Recommendation

The aging of the population in Vietnam is an inevitable trend, so organizations that want to build and maintain a human resource to meet the business and production goals need to develop human resources strategies in are a son able way to adapt quickly to environmental changes. Accordingly, organizations need to actively conduct human resource management activities in a cost-effective way to increase their competitiveness in the marketplace because of the competition among organizations as competition for high quality human resources. In order to achieve human resource goals according to the organization's goals, organizations can choose to attract and create a major human resource from inside or outside the country to meet job requirements with affordable cost. To do well, organizations should keep in mind some of the following suggestions:

Firstly, the necessity right now is that the organization should pay attention to setting up suitable long-term, mid-term and short-term plans for human resource management, depends on labor supply and demand as well as the experience to perfectly stabilize the young-old ratio and suitable with the companies or organization's upcoming targets.

Secondly, organizations should clear requirement for employees through products of job analysis (job description, job specification, performance standards -KPIs) from the beginning to help both managers and employees find the best way to set up harmony labor relation.

Thirdly, organizations should understand the aging trend in the labor force so that recruiting, training or developing strategies are set up. For example, in a field when the older labor force takes a higher ratio, while the work needs more creativity, enthusiasm then recruitment from the labor market is costly and ineffective. On the other hand, investing more effort in training and developing the younger generation seems to be a better solution to this issue. Collecting and judging employees' information needs to be executed more regularly in order to prepare for the replacement for manager's positions.

Fourthly, organizations should pay attention to performance evaluation to draw criteria for compensating and motivating employees

Finally, labor safety should be taken into account to sustain the employee's health because the older they are, the less health will be.

6. References

- i. Briscoe.D.R.,Schuler.R.S.& Claus (2009). International Human Resource Management. London and NewYork: Routledge.
- ii. Byars,L.L., Rue,L. W (2008), Human Resources Management, ninth edition, Mc. Graw-Hill International.
- iii. Bui Van Danh, Nguyen Van Dung and Le QuangKhoi (2010): Human resource Management. The East Publishing House.
- iv. Christian Batal's Labor management in governmental units. National Political Publishing House.
- v. Cherrington, D.J. (1995), The Management of Human Resources, Prentice Hall International, Inc.
- vi. Department of Statistic year book from 2000 to 2014.
- vii. Dessler, G. (1997), Human Resource Management, seven edition, Prentice Hall International, Inc.

- viii. Flamholtz. E., & Lacey. J. (1981). *Personnel management: Human capital theory and human resource accounting*. Los Angeles. CA: Institute of Industrial Relations. UCLA.
- ix. Griffin, R (2001), *Human Resource Management*, First Edition, Houghton Mifflin Company.
- x. Hendry, C. (1995), *Human Resource Management: a Strategic Approach to Employment*, Butterworth, Heinemann Ltd, Oxford.
- xi. Human Resource Department, Pioneer Company, Annual report of Human resource from 2006-2013.
- xii. Luis R., Gomez-Mejia, David, B., Balkin, Robert, L., Cardy (1995), *Managing Human Resources*, Prentice Hall International, Inc.
- xiii. Mondy, R.W., Noe, R.M., Shane, R., Premeaux (1993), *Human Resource Management*, Fifth Edition, Allyn and Balcon.
- xiv. Mondy, R.W., Noe, R.M., (2005), *Human Resources Management*, ninth edition, Pearson Prentice Hall.
- xv. Miles. R. E. & Snow. G. G. (1984). Designing strategic human resource systems. *Organizational Dynamics*. 13(1): 36-52.
- xvi. Noe, Hollenbeck, Gerhart, Wright (1996), *Human Resource Management: gaining a competitive advantage*, The McGraw-Hill companies, Inc, USA.
- xvii. Nguyen Nam Phuong and Ngo QuynhAn's Department and intellectual labor in universities in research orientation. NEU publishing house. Science conference 2013 summary record, page 71.
- xviii. Wright, P.C., Mondy, R.W., Noe, R.M (1996), *Human Resource Management*, Prentice Hall Canada, Ontario.
- xix. Schuler. R. S. & Jackson. S. E. (1987). Linking competitive strategies with human resource management practices. *Academy of Management Executive*. 1(3). 207.
- xx. Staff Organizing Department, NEU. Annual report of Human resource 2010
- xxi. William, C. (2000), *Human Resource Management*, First Edition, Texas Learning Company.
- xxii. Wendell L., French (1994) *Human Resources Management*, Third Edition, Houghton Mifflin Company.