TRINH MINH DUC

HUMAN RESOURCE DEVELOPMENT STRATEGY
OF VIETNAM PHARMACEUTICAL

Major   **: Commercial business**
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DOCTORAL DISSERTATION SUMMARY

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INTRODUCTION

1. Rationale

Pharmaceutical industry is very important in every country. Pharmaceutical enterprises not only make huge profits, but also contribute meaningfully to public health. Vietnam Pharmaceutical Corporation (Vinapharm) is a big Corporation. This Corporation owns 25% of total market share in Vietnam.

In response to the increasing demand of pharmacy products and intensive competition, Vinapharm needs to equip themselves with qualified workforces.

To meet up workforce requirements, human resource development strategy is critical for the success of Vinapharm. Unfortunately, Vietnam pharmaceuticals do not have a complete human resource development strategy.

For the reason above, Vinapharm needs to improve its Human resource development strategy. The research in "Human resource development strategy of Vietnam pharmaceutical" is important, which will contribute effectively to Vinapharm and Human resource development research community.

2. Literature review

The review focuses on human resource development at enterprises. The review part aims to claim the uniqueness of the research and setup research objects.

3. Research methods

Because Vinapharm is unique and this company interacts with the surrounding environment, we apply contingent models when research human resource development strategy of this Corporation.

Qualitative research method has been applied to configure the current human resource development strategy and strategic implication at Vinapharm. Unstructured interview method has been applied.

Quantitative method has been applied to analyze the effect of human resource development strategies to the result of the HR department. Likert scale method is used to quantify the data.

4. Research purpose

This research has three purposes. First, we do literature review of the human resource development strategy. Second, we analyze human resource

development processes and strategies of Vinapharm. Third, we formulate the suggestions to improve the human resource development strategy of Vinapharm.

5. Research objective and scope of research

The research object is Vinapharm. We conduct the research on human resource development strategy of Vinapharm, the research results aim to improve the current version of human resource development strategy of Vinapharm.

Scope of research:

Research object: Vietnam Pharmaceutical Corporation.

Data collection: from 2013 to 2008.

Expected result: Analysis environment factors affect human resource development strategies of Vinapharm. Analysis strengths and weaknesses of human resource development strategies of Vinapharm. Improve the current version of human resource development strategy of Vinapharm.

6. Significance of the study

Literature review: We have reviewed more than one hundred papers and textbooks. The literature review provides well knowledge of human resource development strategy, which includes strategy content, strategy implement process, and strategy research methods.

Empirical study: We apply contingent models to analyze the effects of human resource development strategy of Vinapharm. The research results indicate and explain the strengths and weaknesses of the human resource development strategy of Vinapharm.

Approach: A new version of human resource development strategy of Vinapharm.

7. Thesis structure

The thesis includes introduction, conclusion, reference, and three chapters.

Chapter 1: Literatures review: human resource development strategy

Chapter 2: Analysis Human resource development strategy of Vietnam pharmaceutical Corporation

Chapter 3: Enhance the human resource development strategy of Vietnam pharmaceutical Corporation

Chapter 1
LITERATURE REVIEW: HUMAN RESOURCE DEVELOPMENT STRATEGY

1.1. Definitions
1.1.1. Human resource and human resource in an enterprise

In general, human resources are mentioned to all laborers around the world. In an enterprise, human resources are all workforce it has. Workforce in an enterprise classified based on their positions, which are managers and subordinates.

1.1.2. Strategies in an enterprise

1.1.2.1. Business strategy

a) Strategy

Based on the literature review, the author formulates the definition: Strategy is the direction and scope, which designed to help an organization get benefit.

b) Strategies in an enterprise

In an enterprise, strategies are available at three levels: organization strategies, business strategies, and functional strategies; or two levels: business strategies and functional strategies. Human resource development strategy is a functional strategy.

1.1.2.2. Human resource development strategy in enterprises

Human resource development strategy provides directions and scopes to human resource development practice. Human resource development strategy is a part of human resource strategy that focuses on improving worker's quality.

1.2. Content of a human resource development strategy

Generally, a human resource development strategy provides orientations and scopes to development activity in an organization. A human resource development strategy may concern about acquiring laborers, training laborers, retaining laborers and promoting exceptional performance.

A human resource development strategy's document tells us about the expected results and orientations.

1.2.1. Measuring human resource development strategy's results

Results of a human resource development strategy is measured in business' results and human resource's results. We can measure the results by such criteria as: dedication level, tasks completion and productivity etc.

1.2.2. Acquisition strategy

Acquisition strategies provide guidelines to attract workers to an organization. The goals of acquisition strategies are finding the right workers and strengthening human capital in an organization.

1.2.3. Reward strategy

Reward strategies provide guidelines to reward systems in an organization. The goals of the reward strategies are retaining workers and promoting exceptional performance.

1.2.4. Training strategy

Training strategies provide guidelines to training systems in organizations. The goal of training strategies is improving worker's knowledge.

1.3. Managing human resource development strategy

1.3.1. Developing human resource development strategy

a) SWOT analysis

SWOT analysis is a popular method to formulate strategies. Using this method, strategies formulating is based on the matrix of strengths, weaknesses, opportunities and threats.

b) Quantitative analysis

The purpose of quantitative analysis is to find relationships between HRD strategies (independent factors) and the expected results (dependent factors). Regression model is used to analyze the relationship between dependent factors and independent factors.

1.3.2. Implementation of human resource development strategy

In this step, HRD's strategies are made to work. The human resource development strategies are converted into actions.

1.3.3. Assessment of human resource development strategy

The assessment of human resource development strategies figures the value of each strategy. This step aims to eliminate wrong human resource development strategies and adjust weak human resource development strategies.

1.4. Environmental factors effect to human resource development strategy

Human capital: Human capital affects strategies' choice.

Financial: Finance capital in organizations affects all decision making.

Internal technology: Workers ability must adapt to business' technology, so internal technology influences human development strategies.

Labor supply: Labor supply affects labor competitive strategy.

Policy and law: Policy and law regulate HRD's strategy and actions.

Macroeconomic: Macro economic factors affect people's decisions, so these factors affect HRD's.

External technology: Technology affects workers ability in the labor market.

1.5. Human resource development strategies of enterprises and experiences

1.5.1 Human resource management strategy of enterprises

In this part, we quote the human resource development strategy of Bao Viet group, and human resource development strategy from a review paper, which is "The strategic roles of human resource development". The review paper has been written by Richard J. Toraco và Richard A. Swanson in 1995.

1.5.2. Experience

Based on the human resource development strategy of Bao Viet group and paper from Richard J. Toraco và Richard A. Swanson, we formulated the human resource development strategy contents and structure.

Chapter 2
ANALYSIS HUMAN RESOURCE DEVELOPMENT STRATEGY OF VIETNAM PHARMACEUTICAL CORPORATION

2.1. Introduce to Vinapharm

2.1.1. History of Vinapharm

Vinapharm was founded in 1971, and now it is the largest government Corporation in pharmaceuticals field. This Corporation has achieved outstanding results over the years. Now, Vinapharm is a public company.

2.1.2. The organization structures

Total assets worth 1.338.544.248.430 VND. Vinapharm has 16 branch companies.

2.1.3. Strategy's objectives

2.1.3.1. Mission

Vinapharm has four missions with the aim of maintaining the leading position in the pharmaceutical industry in Vietnam.

2.1.3.2. Vision

First, to strengthen the pharmaceutical industry in Vietnam. Second, to be an active and stable supply source of drugs and pharmacy services at

reasonable price and highest quality to Vietnamese people; meeting the demand of integration to the global market.

2.1.3.3. Business strategy

Vinapharm has formulated eight business strategies.

2.1.3.4. Human resource development objectives

a) The direction from board of directors

The author review nine directions from the board of directors at Vinapharm. From the directions, human resource development strategies should fit to business strategies and action plans of Vinapharm.

b) Objectives of human resource development strategies

Objectives of acquisition strategies: recruiting quality workers, maintaining the labor force.

Objectives of training strategies: Increase workers' ability, strengthen core competencies.

Objectives of reward strategies: Set up the right salary rate and structure.

c) Assess the objectives achievement

Achievement of acquisition strategies: Workers of Vinapharm meet the company's demands, and the turnover rate is low. The efficiency is increasing when Vinapharm is narrowing the ratio between manager and subordinate.

Achievement of training strategies: The training results are acceptable. All main goals have been achieved at Vinapharm.

Achievement of reward strategies: Turnover rate is low, and it is stable.

2.2. Analysis human resource development strategy of Vinapharm

2.2.1. Recruitment strategies of Vinapharm

2.2.1.1. Strategies

a) Recruitment and selection

Vinapharm strategy is "High job security, long-term employment".

b) Promotion

Vinapharm strategy is "Emphasizing on Promotion opportunity for current employees".

c) Job description

Vinapharm strategy is "Building detailed job description".

d) Empower

Vinapharm strategy is "Empowering employees".

e) Performance feedback

Vinapharm strategy is "Employees receive clear feedback on their performance"

2.2.1.2. Assess strategies

Departments apply acquisition strategies have good results.

2.2.2. Training strategies of Vinapharm

2.2.2.1. Strategies

a) Training

Vinapharm strategy is "Focusing on training after recruitment".

b) Destination

Vinapharm strategy is "Training programs focus on promoting creativity".

2.2.2.2. Assess strategy

Departments applying training strategies have good results. However, the training strategies do not have a positive impact on worker engagement.

2.2.3. Compensation strategy of Vinapharm

2.2.3.1. Strategy

Vinapharm strategy is "Financial compensation based on the results of business operation and individual achievement".

2.2.3.2. Assess strategy

Departments applying compensation strategies have good results.

2.2.4. Analysis the effect of human resource development of Vinapharm

2.2.4.1. Hypothesis

Based on strategies' assessment, we build up 8 hypotheses.

H_1: Job security and long-term employment has a positive effect on worker's contribution at Vinapharm.

H_2: Promotion opportunity for laborers has a positive effect on worker's contribution at Vinapharm.

H_3: Building detailed job description has a positive effect on worker's contribution at Vinapharm.

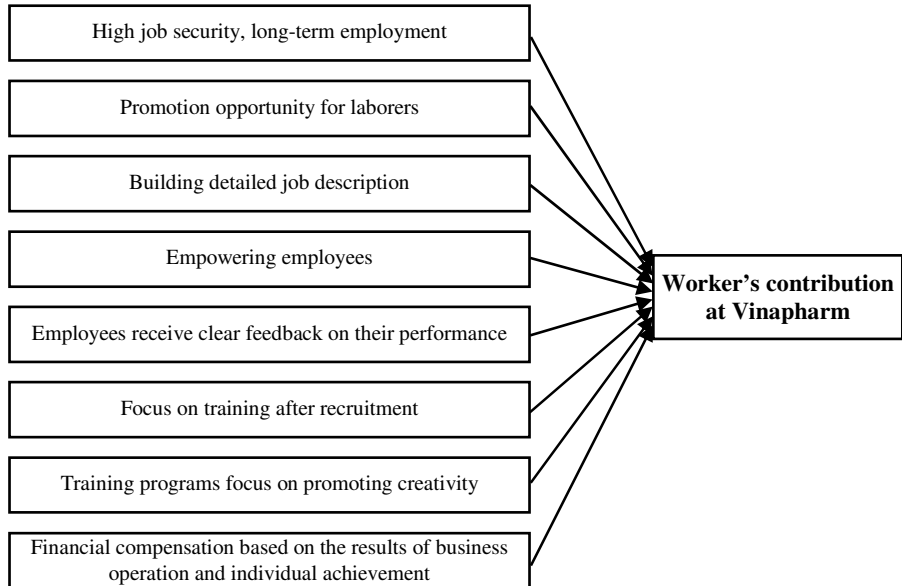H_4: Empowering employees has a positive effect on worker's contribution at Vinapharm.

H_5: Employees receiving clear feedback on their performance has a positive effect on worker's contribution at Vinapharm.

H_6: Focusing on training after recruitment has a positive effect on worker's contribution at Vinapharm.

H₇: Training programs focusing on promoting creativity has a positive effect on worker's contribution at Vinapharm.

H₈: Financial compensation based on the results of business operation and individual achievement has a positive effect on worker's contribution at Vinapharm.

The research model:

We apply Multiple regression models to analyze the relationship between independent variables and dependent variables.

2.2.4.2. Regression analysis

In the research, the survey question has been delivered to 200 workers at Vinapharm, the participants have been chosen by random selection. The results were processed by SPSS.

i) Characteristic of labor participated in the survey

The participants in the survey include 86 female (42%) and 114 males (56.6%). Regarding education, the number of participants who do not have bachelor's degree is 74 74 (37%), 108 participants have bachelor's degree (54%) and 18 participants have postgraduate degree (9%).

ii) Measure internal consistency

To measure internal consistency of each variable in the model, the Author use Cronbach Alpha.

iii) Regression analysis

To examine the relationship between human resource developing strategies and the results, the Author apply multiple regression model. Correlation analysis has been applied to observe the relationship among independence variable. The regression analysis has been applied to examine the effect of the independent variables to the dependent variable. The conclusion was performed at the liability of 90%

The regression model:

DLLV = -0.462 + 0.123DT + 0.173PT + 0.101PHKQ + 0.108TC + 0.231DBVL - 0.139GV + 0.244DM + 0.291MTCV

c) Test the hypothesis and conclusion

From the research result, we have rejected hypothesizes H_4 and H_6, accepted hypothesizes H_1, H_2, H_3, H_5, H_7, H_8.

2.3. Analysis Human resource development practice

2.3.1. Implication of recruitment strategies

a) Recruitment

Vinapharm allows multiple solutions to recruit talent workers who fit to its long-term plan.

Assess the results:

About "Competency of management level": The result of survey shows that labor recruitment at Vinapharm has ensured the sufficient competency of management level.

About "Competency of staff level: The result of survey shows that labor recruitment at Vinapharm has ensured the sufficient competency of laborers' level.

About "Employees' benefits when they have job security": The survey results conclude average score of 3.86, with 86% evaluation at good, 14% at normal and no evaluation at extremely good, not good and bad. Laborers at Vinapharm have positive opinion about long-term employment with Corporation.

About "Sense of success when engaged with Vinapharm": The survey results conclude average score of 3.57, with 64% evaluation at good, 14% at normal, 7% evaluation at not good and no evaluation at extremely good and bad. Still, there is a part of Labors at Vinapharm who experience the sense of success when engaged with Vinapharm.

b) Promotion

About "Career path and opportunity". The survey results conclude average score of 3.86, with 86% evaluation at good, 14% at normal and no evaluation

at extremely good, not good and bad. Vinapharm has created a reasonable opportunity for career development for employees.

About "HR plan". The survey results conclude average score of 4, with 7% evaluation at extremely good, 86% evaluation at good, 7% at normal and no evaluation at not good and bad.

c) Job description structure

Regarding "Job content": The survey results conclude average score of 3.86, with 86% evaluation at good, 14% at normal and no evaluation at extremely good, not good and bad. Laborers at Vinapharm have a positive opinion about job content.

d) Empowering at work

Regarding "Empowering at work": The survey results conclude an average score of 3.36, with 57% evaluation at good, 21% at normal, 21 % at not good and no evaluation at extremely good, bad. Labors at Vinapharm do not highly evaluate the "Empowering at work"

Regarding "Appropriation level with the job and competency": The survey results conclude average score of 3.42, with 43% evaluation at good, 57% at normal and no evaluation at extremely good, not good and bad. The jobs are well-designed and match with employee's competency.

e) Feedback on performance

About "Correct feedback on performance": The survey results conclude at average score 3.57, with 14% evaluation at extremely good, 36% evaluation at good, 43% at normal and 7% at not good and bad. "Correct response on performance" has not been implemented thoroughly at all sections. There are sections that have not well-implemented.

2.3.2. Implication of training strategies

a) Long term training

Training activities at Vinapharm are undertaken in various content, aiming to build up qualified human resources who would maintain daily operation as well as update arising task, update management skill, job knowledge and do training for upcoming generation.

Assess the results:

About "Contribution of training programs": The survey results show that in terms of "Contribution of training towards Corporation", the average score is

3.96, with only 8.33% evaluation of extremely good, 79.17% at good and 12.5% at normal and there is not good and bad. The survey results show that at Vinapharm, the training activities for manpower in general has good outcomes.

About "Quality of the training programs": The survey results conclude average score at 3.36, with 57% evaluation at good, 29% at normal, 7% evaluation at not good, 7% at bad and no evaluation at extremely good. Content design for the training course leaves plenty of room for improvement.

b) Promote creativeness

Vinapharm promotes worker's creativeness, which aims to support research activities and improve performance.

Assess the results:

About "Promote creativeness" of Corporation: The survey results show that average score is 3.64, with 79% evaluation at good, 7% evaluation at normal, 14% evaluation at not good, no evaluation at extremely good and bad. Training implementation has not been appropriate.

About "Level of sharing knowledge of labors within Corporation": The survey results show that average score is 3.96, 13% evaluation at extremely good, 71% evaluation at good, 17% at normal, no evaluation at weak and bad. Vinapharm has well-performed the task of knowledge sharing.

2.3.3. Implication of reward strategies

Basic salary was set up based on the result of business operation and the job value. Average salary rate at Vinapharm is higher than the average rate of other companies in Vietnam.

Assess the results:

About "Salary in line with competency": The survey results show that 43% evaluation at good, 57% at normal, no evaluation at extremely good, not good and bad. Salary payment of Corporation is not really in line with competency and needs further improvement.

About "Salary structure": The survey results show that 71% evaluation at good, 29% evaluation at normal, no evaluation at very good, not good and bad. Salary structure still needs further improvement.

About "Base salary": The survey results show that 57% evaluation at good, 43% evaluation at normal, no evaluation at very good, not good or bad. Basic salary still needs further improvement.

2.4. Assess the results when applied human development strategies at Vinapharm

2.4.1. Assess the results when applied recruitment strategies at Vinapharm

Strengths: In generally, the recruitment's result meets the demand of labors to fulfill the tasks and duties requested by Corporation.

Weakness: The laborers after recruitment still have a certain limitation of abilities, large number of workers still does not really meet the expectations of Corporation.

2.4.2. Assess the results when applied training strategies at Vinapharm

Strengths: The survey results reflect that at Vinapharm, training activities bring up good outcomes. Training activities help maintain qualified and skilled laborers to execute basic tasks requested by Corporation.

Weakness: Although laborers at Vinapharm receive the training, they have not really met the work requirements as well as bring up productivity as expected. The current workers have not yet met expectations for the carrier path sets up by Vinapharm.

2.4.3. Assess the results when applied reward strategies at Vinapharm

Strengths: Good implementation of total compensation brings achievement in production and business operation of Vinapharm. The Corporation has built up a salary payment regime with business features. Furthermore, salary structure is under adjustment for further proper.

Weakness: The total compensation is not really close to the demand of all laborers and not attractive to laborers of good management level. The turnover rate at some sections is still high.

2.5. Overall assessment of human resource development strategies of Vinapharm

2.5.1. Assess the human resource development strategies' objective

Human resource development strategy and its objectives have not formulated formally. The objectives are briefly and not specified.

2.5.2. Assess recruitment strategies

Strengths:

a) About high job security

Vinapharm find the right labor to fill in vacancies in most situations. Vinapharm can retain labor for a long period.

Reasons: Regression analysis result show that "high job security strategy" has positive effect.

Large quantities of workers at Vinapharm have positive opinions about policy, working environment, and job content.

b) About promoting internal worker

Vinapharm can find the good quality workers from internal labor suppling.

Reasons: Regression analysis result show that "promoting internal worker strategy" has positive effect.

The survey shows that the implication of "promoting internal worker strategy" has brought good result to Vinapharm.

c) About detail job description

Workers get clear information about their Job when Vinapharm applies the "detail job description strategy". Vinapharm also builds good performance appraisal system when this company applies this strategy.

Reasons: Regression analysis result show that "building detail job description strategy" has positive effect.

The survey shows that the implication of "building detail job description" has brought good result to Vinapharm.

d) About empowering

Vinapharm has reduced labor cost and increased efficient when applied "empowering strategy".

Reasons: The survey shows that the implication of "empowering strategy" has brought good result to Vinapharm.

e) About feedback on performance

Vinapharm has assess workers' contribution correctly when this company applied "correct feedback on performance strategy".

Reasons: Regression analysis result show that "correct feedback on performance strategy" has positive effect.

When we asked workers at Vinapharm about "correct feedback on performance", 14 percent of replicants rated very good, 36 percent of replicants rated good, nobody rated bad.

Weaknesses:

a) About high job security

To some extent, laborers' ability does not meet the long-term jobs' expectation. Some positions are not attractive enough.

Reasons: Some laborers have not experienced the "Sense of success" under long-term employment at Vinapharm. Empower policies are not clear at Vietnam pharmaceutical Corporation. Workers do not get clear performance reports in some departments.

When we asked workers at Vinapharm about benefits from "high job security strategy", 14 percent of replicants rated average, no body rated very good.

b) About detail job description

When we asked workers at Vinapharm about "job description", 14 percent of replicants rated average.

c) About empowering

Empowering strategy has not been applied effectively.

Sometime, job assignment does not relate to job contents.

Reasons: Regression analysis result show that "empowering strategy" has negative effect.

The survey shows that from some situation, the implication of "empowering strategy" has been rated low.

When we asked workers at Vinapharm about "empowering strategy", 21 percent of replicants rated average, 21 percent of replicants rated not quite good, no body rate very good.

When we asked workers at Vinapharm about "the relationship between job assignment and personal ability", 21 percent of replicants have rated average.

d) About feedback on performance

When we asked workers at Vinapharm about "feedback on performance", 43 percent of replicants rated average, 7 percent of replicants rated bad.

2.5.3. Assess training strategies

Strengths:

a) About long term training

At Vinapharm, most workers meet jobs' requirements.

Reasons: Normally, training programs provide the right knowledge and skills. Large quantities of laborers have a positive perception about training programs.

b) About promote creativeness

Vinapharm has gained success in research and development, technology innovation, and production when this company applied strategy "*promote creativeness*".

Reasons: When we asked workers at Vinapharm about "promote creativeness", 79 percent of replicants rated good, nobody rated bad.

When we asked workers at Vinapharm about "sharing knowledge", 13 percent of replicants rated very good, 71 percent of replicants rated good, nobody rated bad or very bad.

Weaknesses:

a) About long term training

Worker's ability does not satisfy the expectation from board of directors.

Reasons: Regression analysis result show that "long term training strategy" does not have clear effect.

When we asked workers at Vinapharm about "contribution of training programs", 29 percent of replicants rated average, 7 percent of replicants rated bad, 7 percent of replicants rated very bad, nobody has rated very good.

When we asked workers at Vinapharm about "training policies", 14 percent of replicants have rated bad, no body has rated very good.

2.5.4. Assess reward strategies

Strengths:

The reward system is good, so most of workers at Vinapharm stay with the company for very long time.

Vinapharm has gained success in production and sale with its "reward strategy".

Reasons: Regression analysis result shows that "Salary in line with competency strategy" has positive effect.

When we asked workers at Vinapharm about "salary in line with competency", 43 percent of replicants rated good, nobody rated bad or very bad.

When we asked workers at Vinapharm about "salary structure", 71 percent of replicants rated good, nobody rated bad or very bad.

When we asked workers at Vinapharm about "base salary", 57 percent of replicants rated good, nobody rated bad or very bad.

Weaknesses:

Under certain circumstances, reward policies at Vinapharm are not close to labor's demand. Some kind of talented workers are not quite interested in working at Vinapharm.

Turnover rate is high at some units.

Reasons: When we asked workers at Vinapharm about "salary in line with competency", 57 percent of replicants rated average, nobody rated very good.

When we asked workers at Vinapharm about "salary structure", 29 percent of replicants rated average nobody rated very good.

When we asked workers at Vinapharm about "base salary", 43 percent of replicants rated average, nobody rated very good.

Chapter 3
ENHANCE THE HUMAN RESOURCE DEVELOPMENT STRATEGY OF VIETNAM PHARMACEUTICAL CORPORATION

3.1. Business objectives of Vinapharm and SWOT analysis
3.1.1. Business objectives of Vinapharm

Base on qualitative research, the author generalized five strategy objectives listed as below:

First, to improve pharmaceutical products' quality, which met export's requirements.

Second, to fulfill all domestic demands of pharmaceutical products.

Third, to reduce pharmaceutical product price by reducing labor's fees.

Fourth, to apply new technology, increase the return rate.

Fifth, build up brand name and improve distribution channels.

3.1.2. SWOT analyses

3.1.2.1. Environment analyses

* External environment analyses

a) Analyse labor supply

Quality: Workers available in the labor market meet Corporation's requirement.

Quantity: In the pharmaceutical industry, labor supply is slightly higher than labor demand.

O_1: "Workers are available in the domestic labor market".

T_1: Lack of skill worker.

b) Analyse laws and regulations factor

The author used a Specialist method to analyze factors of laws, which affect Human resources development at Vinapharm. The assessment received support from the Justice officer- Ministry of Justice and Head of Human Resources of Vinapharm.

O_2: Laws and regulations are of stability; the government has been cared, supported and renovated the Pharmacy and T2: Foreign Direct Investment (FDI) is authorized to distribute the drug, leading to increasing competition from FDI.

c) Analyse microeconomic factors

Assessment process helped the Author point to conclusion O_3: "There is significant potentiality of developing economy of Vietnam Pharmacy. Entrepreneurs own opportunities for stable development and long-term investment".

d) Analyse changing in technology.

Drugs production in Vietnam is solely the activity of drug processing using imported materials and natural compound extracts.

Vinapharm already invested in the latest production technology. The feature of technology in drug production is the long-life circle; the process of updating technology for labor does not have much problem.

Overall, we can see that in Vietnam we do not have "high competition in Pharmacy labor".

* Internal environment analyses

a) Analyse finance factor

The results of finance activities of Vinapharm show that the capital sources of Vinapharm are not high, in comparison with another Corporation in Vietnam. However, cashflow of Vinapharm is well.

S_1: "Good financial sources, high and stable benefit".

b) Analyse Vinapharm resources

Though owning the latest production technology, Vinapharm has not used full capacity. In terms of science research, laborers of Corporation have enough competence to reach the target. In terms of business, Corporation has good resources, resulting in good outcome

From above factors, the author comes up to three strengths of Corporation

S_2: "Worker can use modern technology in drug production".

S_3: "Good financial sources, average annual benefit increase from 10% - 15%, developing speed at 10%/ year."

S_4: "Big market share, 25% market share of pharmacy filed and over 20% production revenue of pharmacy field".

c) Another strengths and weakness

Based on human resource development analysis, we figure out strengths and weaknesses follow.

S_5: "Worker's ability is increasing. Worker's ability met daily job's requirement".

W_1: "Lacking high quality worker (especially manager and researcher)".

W_2: "Vinapharm met difficulty when this Corporation tried to attract physicians".

W_3: "Vinapharm is lacking potential managers.

W_4: "Managers ability do not meet the expectation, low performance".

3.1.2.2. SWOT matrix

Based on environmental factors analysis, we formulate the SWOT matrix. This matrix has been built to formulate human resource development strategy objective of Vinapharm (validate to 2025, reference to 2030).

SWOT	S: S$_1$: "Good financial sources, high and stable benefit". S$_2$: "Worker can use modern technology in drug production". S$_3$: "Good financial sources, average annual benefit increase from 10% - 15%, developing speed at 10%/ year." S$_4$: "Big market share, 25% market share of pharmacy filed and over 20% production revenue of pharmacy field". S$_5$: Worker ability is increasing. Workers ability met daily job's requirement.	W: W$_1$: Lack of high-quality workers (especially manager and researcher). W$_2$: Vinapharm met difficulty when this Corporation tried to attract physicians. W$_3$: Vinapharm is lacking potential managers. W$_4$: Managers ability do not meet the expectation, low performance.
O: O$_1$: Workers are available in domestic labor market O$_2$: Laws and regulations are of stability; the government has been cared, supported and renovated the Pharmacy. O$_3$: "There is significant potentiality in the developing economy of Vietnam Pharmacy. Entrepreneurs own opportunities for stable development and long-term investment".	- S$_{1,2}$O$_3$: Job security must go along with increasing job performance.	W-O - O$_1$W$_{1-4}$: Attract high quality worker - O$_3$W$_{1-4}$: Retain worker. - O$_{1,3}$W$_{1,3,4}$: Invest on training, increasing training performance - W$_{1,4}$O$_3$: Introduce a complete training audit system to improve training performance.
T: T$_1$: Lack of skilled worker T$_2$: Entrepreneurs of Foreign Direct Investment (FDI) is authorized to distribute the drug, leading to increasing competition from FDI.	S$_{1-4}$T$_1$: Set up HRD management strategy.	W-T T$_1$W$_{1-4}$: Improve reward system to retain workers.

3.2. Improve human resource development strategy of Vinapharm

3.2.1. Improve objective of Human resource development strategy

3.2.1.1. Overall objects

We create objects from SWOT analysis. The overall objectives have been divided into three group, which are recruitment, training, and reward.

3.2.1.2. Detail objective

A. Recruitment

i) Acquiring talent labor for long- term employment

Estimate worker demand:

Worker/Year	2025	2030
Graduated	192	221
Bachelor	2.201	2.258
Polytechnic	485	596
Other	4.595	4.473

Based on the research results, we suggest that Vinapharm should take the follow actions. First, Vinapharm should improve worker morale about "sense of success" and "high job security strategy". Second, Vinapharm should consider external resource when recruits sale manager and researcher.

ii) Job security must go together with increasing working performance

Based on the research results, we suggest that Vinapharm should improve the follow problems. The problems relate to content of job description, empowering worker, and feedback on performance.

B. Training

i) Improving training value

Based on the research results, we suggest that Vinapharm should improve training programs and policies.

ii) Implementing training controlling system aims to increase training results

C. Reward

Based on the research results, we suggest that Vinapharm should improve the follow problems. The problems relate to salary in line with competency, salary structure, base salary.

3.2. Improve human resource development strategies of Vinapharm

3.2.1. Human resource development strategies

Based on regression analysis results, we suggest six human resource development strategies. The selected strategies have positive effect at Vinapharm.

3.2.2. Implementing recruitment strategies

i) Acquiring talented workers for long- term employment

Based on the research result, we suggest the solutions to improve the current situation. We also add in new tasks to eliminate some weakness. Some tasks are listing below.

Tasks	In charge	Timing
- Put employees' expectations into consideration when making any decisions. - Invest in personal development programs.	HR department, senior managers	From begin

We also suggest that Vinapharm employ talented workers with experience from outside when it needs.

ii) Job security must go together with increasing working performance

Based on the research result, we suggest the solutions to improve the current situation. We also add in new tasks to eliminate some weakness. Some tasks are listing below.

Tasks	In charge	Timing
Training programs must fit to business' requirements	HR department	From begin
Training programs must fit to personal characters		
Attracting and retaining talented workers		
Job enlargement	Whole business	
Development programs should fit the requirements of jobs		

3.2.2. Implementing training strategies

i) Improving training value

Based on the research result, we suggest the solutions to improve the current situation. We also add in new tasks to eliminate some weakness. Some tasks are listing below.

Tasks	Person in charge	Timing
Connecting training program to business strategies.	Head of HR department	From begin
Update training programs.	Training department	From begin
- Increase training value. - Improving training methods. - Collaborate with universities and training centers.	Training department, senior managers, researchers	One year after start date
Continue improving training facilities and materials.	HR Department	From begin
- Invest IT system to increase training performance. - Setup online training system. - Setup a forum for sharing knowledge, skill and experience.	HR Department, IT Department	Two year after start date
Formulate training council.	HR Department	When possible
Create a training center.	CEO, HR department	When possible

ii) Implementing training controlling system aims to increase training results

Based on the research result, we suggest the solutions to improve the current situation. We also add in new tasks to eliminate some weakness. Some tasks are listing below.

Tasks	In charge	Timing
Improving training assesses tolls	Training department	From begin
- Connect training programs to personal career paths - Explain training policy to all workers - Setup output standards	Training department, senior managers, research teams	From begin
Assess and audit every training program.	CPO, managers	From begin
Head of the HR department must report all workers' performance to the CEO.	CPO, managers	From begin

3.2.2. Implementing reward strategies

Based on the research result, we suggest the solutions to improve the current situation. We also add in new tasks to eliminate some weakness. Some tasks are listing below.

Tasks	In charge	Timing
- Determine salary based on personal ability and business's interest - Determine bonus based on performance of workers and business	CEO, HRM department	From begin

CONCLUSION

Human resource development strategy is a very important of modem enterprises. At Vietnam pharmaceutical Corporation (Vinapharm), human resource development strategy has not formulated formally, the research shows that Vinapharm have some human resource development strategy orientation in its business documents. From the reasons above, the author choice the research topic: "Human resource development strategy of Vietnam Pharmaceutical Corporation".

a) Literature

Based on overview scientific papers, the thesis has organized theory of strategic human resource development in enterprises for the research purposes. The literature review has achieved the goals follow.

Formulate concepts and content of human resource development of enterprise. Basing on that background, the formulation of concepts, the thesis navigates the content of human resource development strategy which include orientation to recruitment, orientation to training and orientation to rewards.

Setting up research model of human resource development research strategy of enterprise. The research model has been built based on strategy development process which include three steps are building strategy, implementing strategy and assess evaluating strategy. When building the research model, the author has set up the regression model with nine observation variables which can apply to analysis of human resource development strategy of Vietnam Pharmaceutical Corporation.

Identifying environmental factors impact human resource development of enterprises. From the literature review, the author emphasizes environmental factors affect human resource development strategy which are workforce, technology, finance, competitors' technology, source of workforce, political environment, laws and macro economy.

b) In practical

From empirical research of human resource development at some domestic and foreign companies, the thesis conducts research methods which apply to study human resource development strategy of Vinapharm.

The author has applied regression analysis with contingent model to evaluate the human resource development strategy of Vinapharm. The regression equation has been found: $DLLV = -0.462 + 0.123DT + 0.173PT + 0.101PHKQ + 0.108TC + 0.231DBVL - 0.139GV + 0.244DM + 0.291MTCV$.

Basing on analyzing the human resource development strategy of Vinapharm for period from 2011 to 2018, the thesis points out strength, weaknesses of human resource development strategy of Vinapharm, the thesis also points out the reasons of strength and weaknesses of human resource development strategy of Vinapharm. The successes include ensure the

workforce for operation and business, training ensure the qualified workforce, total rewards mostly meet worker's demand, etc. The weaknesses include lack of qualified workforce for long-term purposes, lack of attraction for high profile talent, rewards' implication does not meet requirement of high-profile talent, etc. The reasons for weakness include a part of labor does not have sense of success, incorrect empowerment, content of training is still needed to improve, training policy is still needed to improve, and salary is not perfectly adequate with competency of high-profile talent.

c) Solutions and recommendations

The author provides solutions to improve human resource development strategy of Vinapharm. The solution covers three human resource development strategy functions which are talent attraction, training and rewards.

The author provides solutions to implement human resource development strategy of Vinapharm. The solution covers three human resource development strategy functions which are talent attraction, training and rewards.

Limitation

The research has been conducted in one object which is Vietnam pharmaceutical Corporation, the conclusions from the thesis may not apply to another industries.

LIST OF ARTICLES/WORKS BY THE RESEARCHER RELATING TO THE THESIS

1. Trinh Minh Duc (2013), "Apply Simple Linear Regression Model to human resource management research", *Industry and trade magazine*, No 5+6, pages. 118-119.
2. Trinh Minh Duc (2014), "Apply statistic to HRS research", *Industry and trade magazine*, No 2, pages. 64-66.
3. Trịnh Minh Đức (2016), "Improve human resource management strategy at Vietnam pharmaceutical company ", *Industry and trade magazine*, No 4, pages 68-72.
4. Trịnh Minh Đức (2017), "Development of strategic human resource management research: A review", *Industry and trade magazine*, No 9, pages 270-275.
5. Trịnh Minh Đức (2019), "Briefly assess the effects of human resources development strategy at Vietnam pharmaceutical company", *Industry and trade magazine*, No 7, pages 153-157.