

ISSUES OF IMPROVING QUALITY OF HUMAN RESOURCE IN MILITARY ENTERPRISES TODAY

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Abstract

Among resources for development, human resource is considered as the most important asset, holding the role of determining the socio-economic development of each countries, as well as the sustainable development of enterprises in general, and military enterprises in particular. The increasingly deep impact of globalization and international integration, especially the impact of the Fourth Industrial Revolution, has been changing fundamentally and comprehensively the economic structure as well as labor market at national and enterprise levels, including military enterprises. In such context, in order to develop sustainably, it is necessary for our country and Army to have solutions to improve quality of human resource. How to improve quality of human resource in military enterprises is the content of this article.

Keywords: *human resource; quality of human resource; military enterprise*

1. Introduction

Since the 2000s, the Fourth Industrial Revolution (the 4.0 Revolution) has fundamentally changed the way the world operates, from models of socio-economic structuring to method of national governing and administering. That brings about comprehensive economic, social, and environmental changes in all levels, from global to regional, and in all countries and territories. Together with opportunities created by the 4.0 revolution, there has been a variety of challenges that are hard to overcome, requiring countries and territories to both change their mindset and develop and improve the administration model to adapt to the continuous development of the 4.0 revolution. Developing countries, including Viet Nam, shall find it hard to avoid negative impacts of the 4.0 revolution.

Facing increasingly high requirements related to quality of human resource under the impacts of the 4.0 revolution, enterprises in general and military enterprises in particular must have synchronous measures to improve their quality of human resource to be industrial and modern in order to keep up with the development of sciences and technologies. The force of highly skilled workers, the rate of trained workers having high qualifications and professional working skills have brought about success and brand recognitions for military enterprises, such as: Army Telecommunication Industry Corporation, Military Commercial Joint Stock Bank, Saigon Newport Corporation, etc. However, the number of scientific cadres and experts of all fields are small, professional qualifications of a portion

of workers of military enterprises do not fully meet work requirements; activeness and responsibilities are not high; capabilities of management and governance in the digital transformation conditions are limited, etc. If these limitations and weaknesses are not remedied, military enterprises may encounter difficulties in meeting task requirements in the current context. Therefore, clarification of theoretical and practical issues of improving quality of human resource in military enterprises is of remarkable importance.

2. Method

To accomplish the research objective, the article uses logical and historical methods, statistical-comparative, analytical-synthetic and specific economic methods:

On-the-spot method: Interpreting and synthesizing studies on improving the quality of human resources in Vietnam and in the military enterprises.

The author surveys a number of military enterprises accurately assessing human resources in recent times. From there, the author proposes solutions to improve the quality of human resources of military enterprises in the coming time.

The author would love to consult experts through seminars.

3. Results

3.1. Theoretical and practical issues of improving quality of human resource in military enterprises

3.1.1. Concepts of human resource and improving quality of human resource in military enterprises

* Concept of human resource

According to Organization for Economic Cooperation and Development, human resource is the whole of knowledge, skills and capability of people related to the socio-economic development of a country.

International Labour Organization considers that human resource is the whole of workforce. That is the whole of labor potentials of the people being in working ages, having the capacity to work of a country, being prepared to a certain extent and being capable of mobilized into the process of socio-economic development. These potentials include the stock of physical, intellectual and personal factors of the people of a country to meet a certain structure required by the economy.

In addition, there is another concept that: “human resource is construed as the population and quality of people, including physical and mental conditions, health and intellect, capabilities, qualities and ethics of the workers. It is the stock of actual and potential human resource which are prepared to engage in socio-economic development of a country or a locality ...” [17, tr. 13].

These concepts presents different aspects of human resource, however they share the following point: To mention quantity and quality (physical, psychological and intellectual

potentials) and structure of human resource, including existing and potential portions. The existing portion is the population in working ages and having working capabilities; the potential portion is the population out of working ages as specified by laws, having work capabilities and desires to work.

From the aforesaid concepts, the author considers that: human resource is the stock of physical, intellectual and psychological potentials existing in social work resources with an appropriate structure, to be mobilized and used for creating material and mental products to meet present and future demands of the society.

From the aforesaid consideration, it can be seen that human resource includes potentials of each individual, such as physical, intellectual and psychological potentials and the coordination between individuals in implementing tasks of their organization.

** Concepts of improving quality of human resource in military enterprises*

The term *improving quality* means conducting certain activity leading to an upward change in quality as compared to the current quality. Improving quality of human resource is construed in the same way. Improving quality of human resource is the manifestation of new values of factors constituting quality of human resource, including: Intellectual, physical and mental strengths of each individual. In other words, improving quality of human resource, in essence, is to create a human resource having quality higher than the existing one. In a more generalized way of description, improving quality of human resource is the process of improving human values, including both material and mental values, and intellect and mind and professional skills, to make a person be a worker having higher new capabilities and qualities.

From the above analysis and discussion, it can be argued that: *Improving quality of human resource is the activities of actors using systems of mechanisms, policies and measures to enhance quality of components of quality of human resource, including physical, psychological and intellectual potentials, to meet demands of labor market.*

Quality of human resource is the primary factor that reflects the strength, potentials and capacities to complete assigned tasks of military enterprises, manifesting in qualities, qualifications, creativity, prestige and positions of human resource in the enterprises. Quality of human resource in military enterprises includes: Political quality; cognitive and creative capacity; educational and professional qualifications; capacity to perform tasks; ethical qualities (shown in the quality and effectiveness of performing tasks according to positions, duties and expertise). Therefore, improving quality of human resource in military enterprises, in essence, means improving quality of components of this resource.

Quality and improving quality of human resource in military enterprises are the results of the process of building and developing this human resource in long periods of time, in line with the process of building and developing the military enterprises. Due to the increasingly diversified development of tasks and the specificity of human resource of

military enterprises, it is necessary to clarify the issues of improving quality of human resource in the new period.

According to Tran Dang Bo “military enterprises constitute an important component of state owned enterprises, being under management of the Ministry of National Defense, having registered their operations in various sectors and fields, and being organized into two types of: national defense and security enterprises, and national defense economic enterprises” [2, p.32]. As defined by this concept, military enterprises operates in a wide range of different sectors and fields of the national economy, including industrial, agricultural, and service ones.

Article 3 of Decree 93/2015/ND-CP dated 15/10/2015 of the Government on management and operation of enterprises in national defense and security specifies that: “Enterprises which are categorized as enterprises in national defense and security must fulfill following conditions: Being state owned enterprises of the Ministry of National Defense or Ministry of Public Security; having business lines and fields specified in the Appendix of List of sectors, fields or areas directly supporting national defense and security promulgated under this Decree; being assigned by competent authorities to produce and provide national defense and security products and services or perform national defense and security tasks in a regular and permanent basis using assets of the State or assets of the enterprises in accordance with investment and incorporation objectives of the enterprises” [7, tr.15].

From aforesaid analysis, the author considers that: *Military enterprises constitute a portion of State owned enterprises, which are managed by the Ministry of National Defense, assigned with tasks of producing, repairing, and improving weapons, technical materiel, and specialized equipment to meet demands of national defense consumption and socio-economic development.*

This concept clearly defines type, business fields, functions and tasks of military enterprises.

Firstly, military enterprises constitute a portion of State-owned enterprises. According to paragraph 11, Article 4 of the Law on Enterprises “*State-owned enterprises* include enterprises in which the State owns more than 50% of charter capital or of shares with voting rights”[20, tr. 53, 54]. Currently, military enterprises are enterprises in which the State owns more than 50% of charter capital or of shares with voting rights as specified by the current Law on Enterprises.

Secondly, military enterprises have two major types of enterprises in national defense and security and economic enterprises. Of which: Enterprises in national defense and security are State-owned enterprises including enterprises in national defense and security, and enterprises operating in crucial areas of national defense and security simultaneously performing national defense and economic tasks. The economic enterprises are gradually being transformed into the model of joint stock enterprises in accordance with the program of enterprise equitization of the Government. The Ministry of National Defense is currently

managing 104 enterprises operating in various fields, such as: Banking, telecommunications, textiles and garments, footwear, pharmaceuticals, real property, etc.

As such, from the concepts of human resource, improving quality of human resource, and military enterprises, the author argues that: *Improving quality of human resource in military enterprises is the activity of the actors using systems of mechanisms, policies and measures to transform the quality of this resource in the direction of increasing values of components constituting quality of human resource, including physical, psychological and mental potentials, to better meet task requirements of military enterprises in each period.*

This concept comprises issues constituting the action of building, reflects objectives, contents and tasks of improving quality of human resource in military enterprises. It is an deliberate, purposeful and well-organized action, comprising following contents:

Purpose of improving quality of human resource in military enterprises is to transform the quality of this resource in the direction of increasing values of components constituting quality of human resource, including physical, psychological and intellectual potentials, to better meet task requirements of military enterprises in each period.

Actors of governance and management of improving quality of human resource in military enterprises are the system of Party organizations and the system of command and management of all levels in the Army as determined by the Ministry of National Defence and specified by laws.

Forces directly participating in the process of improving quality of human resource comprise all organizations and individuals in the Army, including military officers, professional servicepersons, national defense workers and other workers, and Union organizations, Youth Union, Women' associations of all levels in military enterprises.

Forms and measures to improve quality of human resource in military enterprises are diversified, including systems of mechanisms, policies and measures to impact on human resource to transform the quality of this resource in the direction of increasing values of components constituting quality of human resource.

3.1.2. Contents of improving quality of human resource in military enterprises

Improving quality of human resource in military enterprises is the process of supplementing and improving components of quality of human resource, including: Political quality; educational and professional qualifications; cognitive and creative capacity; capacity to perform and complete tasks; ethical qualities, lifestyle and working style.

Components of quality reflect degrees of task completion according to positions, tasks and professions of each individual and organization. Components of quality of human resource are constantly changing and developing due to the development of the tasks of Homeland construction and protection in each period. As such, improving quality of human resource in military enterprises is the process of improving quality of the components constituting quality of human resource. From the approach on researching improving

quality of human resource, it is possible to determine contents of improving quality of human resource, serving as criteria for assessing status quo of improving quality of human resource in military enterprises, including:

Firstly, improving physical and mental strengths

Improving physical and mental strengths is an objective requirement aimed at meeting high demands of quality of human resource in military enterprises. This is especially important due to the fact that the nature and scope of tasks being assigned to human resource in military enterprises are increasingly difficult, complicated and stressful. As such, the human resource must have good physical and mental strengths, which include the strength of the body, agility, flexibility, resistance to disease-causing factors, along with the ability to withstand harsh environmental conditions and factors that affect human health; especially the ability to be confident to cope with stress while maintaining comfortable relationships and independent lives, to easily recover from difficult situations. This process requires regular and frequent training, so as to form habits of training physical and mental strengths.

Secondly, improving psychological strength

Improving quality of psychological strength of human resource in military enterprises, in essence, means improving political consciousness, sense of responsibility, work efficacy, sense of discipline, etc., of the human resource while working in accordance with assigned duties and tasks of each job position. Improving psychological strength is assessed by following criteria: Improving political virtues; improving ethical qualities and working style.

Thirdly, improving professional capacity and qualifications (intellectual potential)

This is an important content to improve quality of human resource in military enterprises nowadays. Contents of improving professional capacity, qualifications and expertise must be comprehensive and appropriate for each work division and individual worker in accordance with specific duties and tasks of each job position. In addition to general requirements of educational degrees, professional training qualifications, etc., for each work division and individual worker, there are other specific requirements related to capacity, profession and expertise of each job position. Improving capacity, professional qualifications and expertise of human resource in military enterprises are assessed by following criteria: Improving intellectual and professional capacity; improving qualifications.

3.1.3. Status quo of quality of human resource in military enterprises

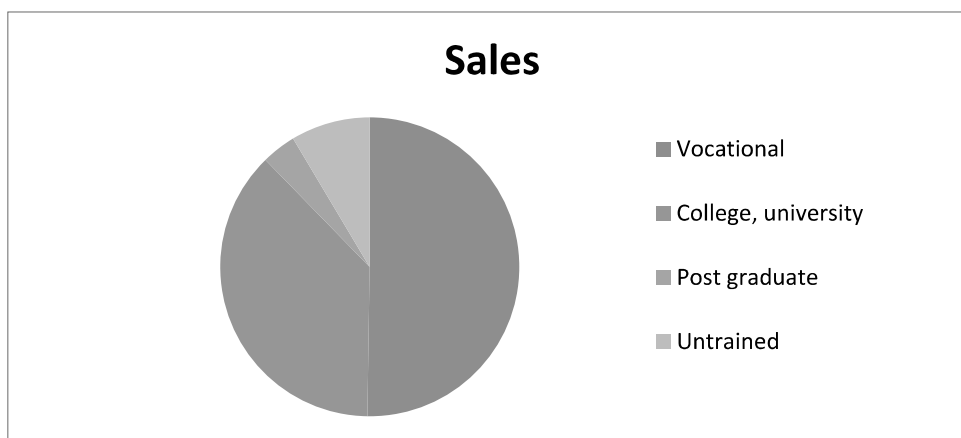
According to data of Department of Economics, Ministry of National Defense, military enterprises have made important contributions to the socio-economic development, been important material assets of the State economy and guaranteed socialist orientation in developing market economy in Viet Nam. The data shows that revenue in 2019 of military enterprises reached more than 383 trillion VND, being 19% higher than that in 2018; profit before tax reached 61 trillion VND, being 15% higher than that in 2018; and contribution to

State budget reached nearly 46 trillion VND, an being 13.23% higher than that in 2018 [9, tr.13]. In which, a number of military enterprises have achieved remarkable profits and State budget contributions, for examples: Army Telecommunication Industry Corporation, Military Commercial Joint Stock Bank, Saigon Newport Corporation. These significant and important contributions are due to the fact that military enterprises have human resources and policies of developing human resources being proper and appropriate to task requirements in each period.

Regarding physical potential, most of military officers, professional servicepersons, national defense workers and other workers have been selected carefully in terms of health, having good physical strength, flexibility, capability of withstanding all work pressure, especially that of heavy jobs or jobs that require employees to have good health, such as: Mining, construction, transportation, etc., Annually, the number of workers being dismissed due to health conditions is low, approximately 0,87% of the total of 181.339 workers in military enterprises [9, tr.15].

Regarding intellectual potential, according to statistics, most of the human resource in military enterprises have received fundamental training. Of which: The percentage of workers having postgraduate qualification is 3,5%; college and university qualifications 35%, vocational degrees 47%, primary level 6.5% and untrained 8% (Chart 3.1). 100% of managers (military officers, professional servicepersons) of all levels have bachelor, master and doctor degrees; a portion of technical cadres have been trained in foreign countries. Most of the workers are permanent staff as specified by the Ministry of National Defense or work under long-term contracts, with the percentage of short-term contract workers being 24,1%.

Figure 3.1. Qualifications of workers in military enterprises in 2019, sorted by educational levels



Sources: Enterprise Management Office, Department of Economics

A number of military enterprises operating in technological, banking and other service fields have relatively high quality human resource, for examples, Army Telecommunication Industry Corporation, Military Commercial Joint Stock Bank, and Saigon Newport Corporation. To be specific, of the 15.932 cadres, national defense workers and other workers of the Military

Commercial Joint Stock Bank, 9.326 workers have bachelor, master and doctor degrees, accounting for 58,5%. Most of managers and technicians have been trained in prestige universities and academies in Viet Nam and other countries.

Table 3.1. Labor structure in military enterprises, sorted by management categories

No.	Category:	Number (worker)	Percentage (%)
1	Military officer	4.720	2.6
2	Professional serviceperson	11.673	6.4
3	National defense worker	32.412	17.9
4	Long-term contract worker	88.711	49
5	Short-term contract worker	43.823	24,1
Sum		181.339	100

Sources: Enterprise Management Office, Department of Economics

According to the data (in Table 3.1), the total number of workers in military enterprises is 181.339, of which: Military officers holding management positions of all levels is 4.720, accounting for 2,6%; professional servicepersons 11.673, accounting for 6,4%; national defense workers 32.412, accounting for 17,9%; long-term contract workers 8.711, accounting for 49%; and short-term contract workers 43.823, accounting for 24,1%. Due to the guideline of equitization and divestment in State-owned enterprises, in the recent years, the number of long-term and short-term contract workers has been increasing, and military enterprises strongly switching to business accounting mechanism.

Regarding psychological potential: Human resource in military enterprises are carefully selected in terms of political stance, sense of responsibility in conducting assigned tasks, having high work efficacy and high sense of discipline. Results of annual quality assessment of managers and workers show that: 100% of cadres, military officers, national defense workers and other workers have good political virtues, ethical qualities and political awareness, and continuously improving working style.

However, apart from achievements related to human resource of military enterprises in the recent years, there have been a number of limitations, as elaborated below. While the number of workers in military enterprises is 181.339, the number of workers having vocational qualification is still high, accounting for 47% of the total number of the workforce; annually, the number of workers being dismissed due to health conditions accounts for approximately 0,87% of the total number of the workforce [9, tr.13].. In a number of enterprises, there have been cases of military officers, professional servicepersons, national defense workers and other workers violating regulations and laws. Workers are still slow to adapt to scientific and technological advances, especially the impacts of the 4.0 revolution. Therefore, in order to help military enterprises develop and be strong in competition and meet requirements set forth in the current context, improving quality of human resource is an issue to be solved.

3.2. Measures to improve quality of human resource in military enterprises

3.2.1. Changing mindset and perception of the actors of the importance of improving quality of human resource

Human resource, of which high quality human resource is the core, is the force that grasps and applies achievements of the 4.0 Revolution. Therefore, the actors of leadership and management of the Ministry of National Defense, and especially the actors of leadership and management in military enterprises, must change their mindset in order to have proper and comprehensive perception of positions and roles of human resource in sustainable development, and on that basis to improve their perception of the importance of improving quality of human resource. Such changed mindset and perception shall be the foundation for preparing schemes and plans of training for improving quality of human resource to match with situations and conditions, meeting requirements of the tasks of Homeland construction and protection of the Army, contributing to socio-economic development.

3.2.2. Improving quality of training human resource in military enterprises

In order to meet requirements and tasks of production and trade of military enterprises in the current context, the staff of military officers, professional servicepersons, national defense workers and other workers must be trained and fostered to improve comprehensive quality, including physical, intellectual and psychological potentials. The focuses of training and fostering are political consistency, capacity of corporate leading and managing, and professional expertise. Management cadres must be equipped with comprehensive knowledge; professional cadres must have deep expertise, combining improving theoretical reasoning capacity with fostering practical capacity. Priorities of training should be placed on specialized technical and technological fields, especially high-tech ones, matching with development trends of the 4.0 Revolution, such as fields related to information technology, automation, artificial intelligence, digital transformation, etc., in order to adapt to the era of digital technology, to quickly apply technological solutions, such as a cloud computing, Cloud Drive, ProMail, etc., to overcome challenges and develop in a faster and more sustainable manner.

On the other hand, it is necessary to diversify types of training with appropriate number and structure. Emphasis must be placed on training from technical workers to graduate and postgraduate workers; linking training with planning and employing. Another work to be done is to apply segmentation of training specialization between military educational institutions and national educational institutions. It is also necessary to boost the application of information technology in training and teaching foreign languages and adaptation skills in international competitive environment. It is a must to have plans for training and fostering to improve comprehensive capacity of leading experts to be capable of approaching advanced scientific and technological development in their fields of expertise, to have creativity in researching and applying scientific and technological achievements; to promote initiatives and innovations to improve labor efficiency and product quality. At the same time, attention must be paid to training skillful workforce, including technicians and engineers capable of operating high-tech and automated equipment.

3.2.3. Reforming and improving mechanism of management, and policies of mobilizing investments in improving quality of human resource

Firstly, it is necessary to reform governance methods, improve capacity and efficacy of human resource development management for military enterprises. It is a must to research and add schemes and policies to guarantee material and mental benefits for the staff of leaders, managers, scientists, technical workers and other workers in military enterprises. Human resource should be used in the direction of: Attracting talents; reasonably allocating assignments; creating favorable working conditions and guaranteeing benefits for them to work. For the staff conducting scientific and technological researches, there must be favorable and respectful working policies, environment, and opportunities for them to contribute and promote their talents. If this issue is properly dealt with, it is possible to promote capabilities of the existing staff, contributing to preventing human capital flight in military enterprises nowadays. In order to achieve effective implementation, mechanisms and policies must ensure fairness and equality between contribution and benefits, and avoid equalitarianism-based distribution. Material encouragement should be closely combined with mental encouragement, to create motivation for each individual as well as organization. Investment from the State budget should be increased and resources from in and out of the country should be mobilized, even from private investment, in order to develop high quality human resource for military enterprises in the time to come. Investments in the system of educational institutions and research institutes in the Army should be increased in order to enhance capability and quality of training military human resource in general, and human resource for military enterprises in particular.

3.2.4. Expanding cooperation and coordination with universities in Viet Nam and in the world to improving quality of human resource in military enterprises

In order to improve quality of human resource in military enterprises nowadays, one of the indispensable measures is that the military enterprises must rely on their own functions, duties and business fields to forecast their need of human resource. Therefore, it is absolutely necessary to link training processes in universities with human resource demands of military enterprises. As such, Party committees, commanders and leaders of military enterprises must actively prepare plans for training cooperation and coordination with prestige universities in fields of: Financing, banking, business administration, information technology, automation, transportation, etc., for the purpose of training cooperation and coordination, so as to gradually improving quality of human resource in military enterprises. In addition, in the trend of increasingly intensive integration in various field, it is necessary to expand and effectively implement training and fostering cooperation and coordination programs for improving quality of human resource and management cadres, focusing on fields in which military enterprises do not have sufficient capabilities, especially in high-tech and economic fields related to digital transformation; to encourage cooperation models that link training and fostering with researching and technology transferring; and to promote training cooperation and coordination between military educational institutions and foreign entities to meet development needs of military

enterprises. Favorable environments and conditions should be created in order to attract the pool of trainers and scientists experienced in international cooperation and overseas Vietnamese people to participate in the process of training and fostering high quality human resource for economic sectors in Viet Nam in general and for military enterprises in particular to meet task requirements.

4. Conclusions

Improving quality of human resource in military enterprises nowadays is an urgent task that requires appropriate measures. Therefore, it is necessary to have attention of leaders and commanders at all levels and to add and adjust mechanisms to attract and promote creativity of the staff of cadres, scientists, experts, skillful workers to meet requirements and tasks of building and developing of military enterprises in the new period. In order to improve quality of human resource in military enterprises to meet requirements of the Industry 4.0 in the time to come, it is necessary to focus on following essential solutions: Changing mindset and perception of the actors of the importance of improving quality of human resource; Improving quality of training human resource in military enterprises; Reforming and improving mechanism of management, and policies of mobilizing investments in improving quality of human resource; Expanding cooperation and coordination with universities in Viet Nam and in the world./.

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