



Digital Human Resource Management in Vietnam Today: Theoretical and Practical Issues

Le Thi Phuong Lien

Ho Chi Minh University of Banking (HUB) Vietnam

Abstract: Industry 4.0 is strongly promoting the transition from a resource-based economy to a knowledge-based economy with the internet and digital pillars as the main pillars. Digital human resources are human resources in the digital economy, the main force to deploy and realize the digital economy, and decide the existence of the digital economy. In digital human resource management, businesses move from saving labor costs to reduce costs to investing in digital human resources for more competitive advantages, higher profits and more efficiency. The article analyzes theoretical and practical issues related to digital human resource management in Vietnam today. The results show that the digital human resource management of Vietnamese enterprises in the fourth industrial revolution now focuses on aspects related to: Human resource planning; The job analysis; The recruitment of personnel; The evaluation of work performance; The training and retraining. In addition, the article also analyzed and pointed out human resource management trends in the context of the industrial revolution 4.0, shown through: performance management; business models and processes; Organizational structure; application of technology background and working capacity. The limitation of this study is that it has not shown and analyzed solutions to improve the efficiency of digital human resource management in Vietnam today.

Keywords: Administration; human resource management; digital human resource management

Copyright © 2023 The Author(s): This work is licensed under a Creative Commons Attribution-Non-Commercial 4.0 (CC BY-NC 4.0) International License.

INTRODUCTION

Currently, Industry 4.0 is strongly promoting the transition from a resource-based economy to a knowledge-based economy with the internet and digital pillars as the main pillars. The digital economy was born to replace the traditional economy. Human Resources (Human Resources) is understood as the concept of "human resources". When used as a tool for operating and implementing socio-economic development strategies. Human resources include the population of working age, who are able to work and those outside of working age who participate in the labor force. Human resources are not merely the workforce that has been and will be, but also includes the physical, intellectual, and spiritual strength of individuals in a community, a country, given or has. ability to put to use in the process of social development. Human resource is the sum total of quantity and quality of human being with a combination of intellectual, physical, and moral-spiritual qualities that create the capacity that man and society have been and are in. will mobilize in the process of creative labor for the development and progress of society. Digital human resources are human resources in the digital economy, are the main force to deploy and realize the digital economy, decide the existence of the digital economy, so they are the total force. at the same time, this force is capable of mastering digital technology devices, operating it in the process of production, business and other activities of the economy. Human resource management is all the activities, policies and management decisions related to and affecting the relationship between an enterprise and its employees. Human resource management requires a strategic vision and is associated with the company's operational strategy. Each economy requires a corresponding production force in terms of its level, especially human resources. Therefore, corresponding to the digital

economy, there must be digital human resources to deploy, organize and operate it. Therefore, the awareness of issues related to digital human resource management in Vietnam today is one of the issues of profound theoretical and practical significance.

RESEARCH RESULTS AND DISCUSSION

Digital Human Resource Management in the Context of Industrial Revolution 4.0

Digital human resource management originates from the industrial revolution 4.0. In digital human resource management, businesses move from saving labor costs to reduce costs to investing in digital human resources for more competitive advantages, higher profits and more efficiency. As companies begin to build strategies to transform businesses and workforces for the future, they have the opportunity to leverage new technologies, including automation, to drive economic value through innovative solutions. new activities, improve the quality of work in traditional occupations, while improving the skills of employees. On the other hand, technological change and shifting job roles and career structures are changing demand for skills at an ever-faster rate.

With a population of more than 99 million people, ranking 15th in the world and 3rd in Southeast Asia, Vietnam has favorable conditions during the fourth industrial revolution. The number of human resources is large and abundant, and the quality of Vietnam's digitally trained human resources can also be considered strengths. Among more than 13 million human resources with primary vocational training or higher, there are more than 5 million people with university degrees or higher, accounting for 44%. This is an important factor

for Vietnamese human resources to transform and adapt to digital technology. The digital human resource management of Vietnamese enterprises in the current fourth industrial revolution is focused on aspects related to:

Human Resource Planning: there are very few enterprises set up. long-term human resource planning. Moreover, in the human resource development strategy, the determination of labor surplus or shortage needs to consider both the micro-perspective in parts of the enterprise and the macro-perspective on human resources of the locality and region. and nationwide.

The Job Analysis: Enterprises in Vietnam all carry out the construction of job positions and job analysis. Each business has its own template for drafting job descriptions, including main contents such as: Job title; the name of the department in charge of the job; supervisor's name; a brief description of the job; job completion standards... However, the current job analysis of enterprises is mainly carried out by the heads of the units. In the current digital technology era, the human resource management department can apply AI to perform job analysis, both ensuring objectivity and optimizing work efficiency.

Human Resource Recruitment: Digital human resource management now only stops at the perspective of job seekers and employers registering on business websites or job search sites. Therefore, the recruitment of workers sometimes does not guarantee the right employment to meet the needs of the employer. The recruitment process of many enterprises is not associated with evaluation and experience, and is often performed by a department or group, so in many cases the selection does not really meet the requirements. Therefore, the recruitment needs to be combined with a technical parameter box to filter resumes, both simplifying the recruitment process and easily selecting the human resources that meet the requirements of the employer.

The Evaluation of work Performance: Most businesses use the scoring method; however, the evaluation criteria are often subjective and not based on the job description. Currently, very few enterprises apply the assessment of superiors by employees. This will reduce the objectivity in the evaluation, making many managers unwilling to learn and innovate themselves. In order to develop digital human resources, it is necessary to manage human resource data so that enterprises can know the causes and cases of job change and leave, thereby solving the root of the problem, improving public attitudes. employee performance and quality.

Training and Fostering: Currently, the training and improvement of skills and skills for employees to keep up with the development of science - technology is still isolated and fragmented in enterprises.

There is still no training and development strategy associated with specific visions and goals, but mainly only invested in improving the qualifications of senior managers and experts. As for the training of technicians and workers, it is mainly self-training or workers have to improve their skills by themselves. The efficiency of the use and management of human resources in Vietnamese enterprises is still quite low, unable to meet the rapid development of the economy as well as the current requirements for using human resources.

Human Resource Management Trends in the Context of Industrial Revolution 4.0

Currently, in the context of accelerating industrialization, modernization and international integration, especially when Vietnam is in the period of the industrial revolution 4.0 (Industry 4.0), the issue of human resource management is one of the important factors for sustainable development and increase national competitive advantage. With the advantage of being in the golden population period, the trend of human resource management in the context of the industrial revolution 4.0 is basically expressed through:

First, work efficiency management: Digital human resources focus more on specialized work groups with high added value. This shows that administrative tasks will be replaced by technologies. For example, in recruitment, recruitment forms will be reduced thanks to a recruitment management application. Human resource assessment will reduce the administrative burden when there is real-time mobile performance evaluation software. HR professionals will spend most of their time helping employees optimize and maximize their own performance.

Second, business models and processes: Technology helps to streamline organizational structure by directly connecting customers to production and business processes, such as technology taxis. Increasing deployment automation in business processes is also changing interactions and processes in the enterprise. HR professionals need to integrate HR tasks faster, directly participating in operational tasks. Human resource activities should be directed to customers - employees inside the business, as well as customers outside the company. HR professionals also need to be more proactive in implementing professional work, instead of waiting to respond to external challenges. Real-time response is a key challenge, rooted in changing paradigms and processes in the 4.0 era, for HR professionals. The measurement software will notify about the employee's underperformance. At that time, the HR professional must take action to resolve.

Third, the organizational structure of personnel: The relationship between the enterprise and the employee will change from a legal constraint - a contract to one based on a commitment to work and the

principle of sharing work., profit sharing. Businesses can apply changed models compared to the past because technology allows to measure, calculate and specifically identify the contribution between businesses and employees in real time.

Fourth, applying technology foundation and working capacity: big data and computer systems have been helping digital human resource managers to better perform their administrative roles. In the past, problems in HR were difficult to quantify with data, such as employee engagement, development ability, job satisfaction... However, now, through big data and 4.0 technologies, businesses can digitize the above issues. Based on that data, businesses can use it to analyze, make judgments and forecasts about each employee. In addition, when artificial intelligence is applied with big data, it will replace human resources such as recruitment, evaluation, training, development and employee engagement. Big data will shoulder the burden of helping HR professionals do the hardest work and leave only the decision-making power and handling options to HR professionals. In addition, artificial intelligence can also automatically analyze the activities of sales staff, make automatic recommendations on training for trainers to decide to implement training programs in the enterprise. In addition, new work capacity: Industry 4.0 changes the way individuals work and interact. The framework of human resource working capacity in the 4.0 era has changed and supplemented a lot. HR professionals need to focus and develop training programs on new work capacity for human resources in the enterprise, including: information management, relationship management, community management, and use of assistive technology., ecosystem approach and sharing economy mindset. However, the group of communication capabilities still has importance and promotion, that is: innovation, coordination, self-management, planning, customer thinking.

CONCLUSION

The Industrial Revolution 4.0 has had a strong impact in all fields around the globe. Digital human resource management in Vietnam is no exception to that trend. To transform strongly in the 4.0 technology era, the era of speed by technology, businesses need to pay much attention to technology development in their production, business and service activities. To increase competitiveness, keep pace with the trend, there is no other way than Change Management of the business. The article analyzes theoretical and practical issues related to digital human resource management in Vietnam today. The results show that the digital human resource management of Vietnamese enterprises in the fourth industrial revolution now focuses on aspects related to: Human resource planning; The job analysis; The recruitment of personnel; The evaluation of work performance; The training and retraining. In addition, the article also analyzed and pointed out human resource

management trends in the context of the industrial revolution 4.0, shown through: performance management; business models and processes; Organizational structure; application of technology background and working capacity. The limitation of this study is that it has not shown and analyzed solutions to improve the efficiency of digital human resource management in Vietnam today.

REFERENCES

1. Amladi, P. (2017). HR's guide to the digital transformation: ten digital economy use cases for transforming human resources in manufacturing. *Strategic HR Review*.
2. Bondarouk, T., Ruël, H. J., & Parry, E. (Eds.). (2017). *Electronic HRM in the smart era*. Emerald Publishing Limited.
3. Crosman, P. (2018). How artificial intelligence is reshaping jobs in banking. *American Banker*, 183(88), 1.
4. Dixit, P. (2017). Digitalisation-an emerging trend in human resource practices. *Imperial Journal of Interdisciplinary Research*, 3(4), 2134-2138.
5. Mahdawi, A. (2017). What jobs will still be around in 20 years? Read this to prepare your future. *The Guardian*, 26.
6. Pham Hoai Huan (Editor),- Nguyen Thi Thanh Le - Tran Thanh Binh - Nguyen Tuan Vu (2017), Typical disputes in corporate governance, National Truth Political Publishing House.
7. HSBC (2018), The most important intelligence isn't artificial...[online] HSBC. Available at: <https://www.hsbc.com/media/media-releases/2018/hsbc-human-advantage>
8. Tran, T. C. T. (2010). Corporate Governance, National Truth Politics Publishing House.
9. Do Thi, K. T. (2017), Corporate Governance in the Market Economy, National Truth Publishing House.
10. Uoc, T. M. (2021). Digital human resources: Basic resources to ensure the development of Vietnam's digital economy. In *Proceedings of the scientific seminar " Digital economy and creative cities"*, *Journal Communist, University of Finance and Marketing* (pp. 03-08).
11. Vial, G. (2019). Understanding digital transformation: A review and a research agenda. *The journal of strategic information systems*, 28(2), 118-144.