



# EMPLOYER SKILLS GAP IN VIETNAM

A Joint Report on Bridging Employer Needs and University Education Outcomes from Fulbright University Vietnam and the American Chamber of Commerce Vietnam - Ho Chi Minh City.

## Background

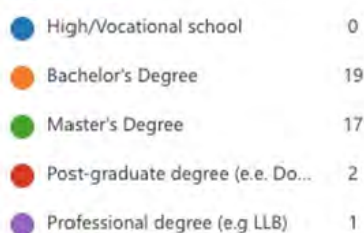
The American Chamber of Commerce Vietnam-Ho Chi Minh City (AmCham Vietnam) Education Committee and Fulbright University Vietnam have partnered to conduct a Skills Gap Survey to provide insight on whether companies are able to hire individuals with the most needed talents and skills. Although recent international reports have analyzed employers' shifting demands of new hires as the nature of work changes, most of the source data for these reports come from the West and can be hard to apply to Vietnam and Southeast Asia. This Skills Gap Report provides a localized understanding by gathering information from employers in Vietnam about their current skills demands and how well the labor market in Vietnam meets those needs.

## Who Completed the Survey

The survey was conducted for three weeks in November and December 2019 and we received responses from 39 individuals across Vietnam. Respondents hailed from numerous industries, with the heaviest representation coming from manufacturing (nine) and consumer goods (six). These companies ranged from less than 20 employees to over 500 employees, and the majority (34) maintained at least partial operations in Ho Chi Minh City. Individual respondents were an even split in gender and across bachelors and graduate or post-graduate degrees. Eighty-two percent of respondents were directly involved in hiring processes; 46% were foreigners, and 27% of those foreigners were of Vietnamese heritage. Of the Vietnamese respondents, one-third pursued their studies outside of Vietnam.

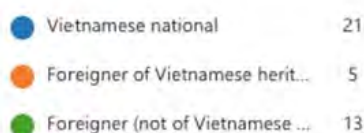
### 11. What is your highest level of education?

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### 12. What is your heritage

[More Details](#)



## Perceptions of Vietnamese Higher Education

One of the most clearest trends from this small sample is uncertainty about the preparedness of recent graduates for the labor market. Only 15% of respondents indicated “quite a lot” or a “great deal” of confidence in Vietnamese universities and colleges. This does not mean that respondents did not see value in university education more broadly, with 79% asserting completing college is very or absolutely important. Reflecting the low confidence, only 38% of respondents believed attending a Vietnamese university would probably or definitely be worth the time and money required. Only 5% of respondents believed Vietnamese universities currently are preparing students well for the world.

Similarly, only 8% of respondents believed most graduates have the required skills to perform well at their organizations. Interestingly, along the majority of these measures, while the median response was similar between Vietnamese nationals and foreigners, a handful of Vietnamese respondents consistently ranked Vietnamese universities more favorably, while almost no foreigners did. This might be explained in part by positive experiences of these Vietnamese respondents' own educational experiences here, but it is clear that the prevailing impression of universities here was not favorable.

17. How confident are you in the education provided by Vietnamese universities and colleges?

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Very Little	10
Some	23
Quite a lot	5
Great Deal	1



18. In your opinion, how important is completing a College or University Education?

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Not important	1
Somewhat important	7
Very important	21
Absolutely important	10



19. Do you think a Vietnamese college or university degree is worth the time and money involved?

[More Details](#)

Not worth it	5
Possibly worth it	20
Probably worth it	11
Definitely worth it	3



### Employer Skill Demands

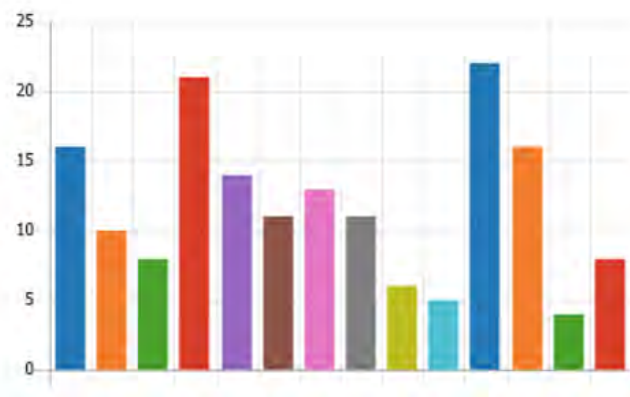
Our survey offered respondents multiple opportunities to rank skills they understood as important, including both technical (often called “hard” skills) and then broader, human skills (often called “soft” skills). For example, respondents were asked to rank each of 18 different skills from least important to most important. The top three most important skills were detailed as critical thinking/analytical reasoning, ethical judgment and decision making, and English language skills. When asked to rate the most important soft skills, “self-motivation,” “proactive solutions-oriented approach,” and a “commitment to lifelong learning” also registered very high on the skills importance. Empathy, creativity, and the ability to work with numbers and statistics all ranked comparatively lower in importance (less than 15% of respondents ranked these as a most important value). This aligns with respondents’ perceptions of the purpose of college education: 78% asserted that “development of critical thinking skills” is the greatest value of higher education, with 65% stating “development of analytical skills” is the second most important value. In terms of hard skills, administrative skills (such as finance and human resources) and project management skills were above and beyond the most demanded skills.

Supply chain management and production quality control were of high demand, presumably reflecting the higher representation from manufacturing and consumer goods industries in our survey respondent pool. Data analysis, research and design, and specific software knowledge were also marked as important by at least 10 respondents.

25. What technical skills are you looking for in recent graduates from Vietnamese colleges and universities? (Choose all that apply)

[More Details](#)

Production quality/safety cont...	16
Computer programming profi...	10
Electrical/electronics	8
Project management	21
Supply chain management	14
Machinery management/oper...	11
Specific software/system profi...	13
Research & design	11
Foreign languages other than ...	6
Arts and design	5
Administrative skills (e.g. finan...	22
Data analysis	16
Policy analysis & formation	4
Other	8



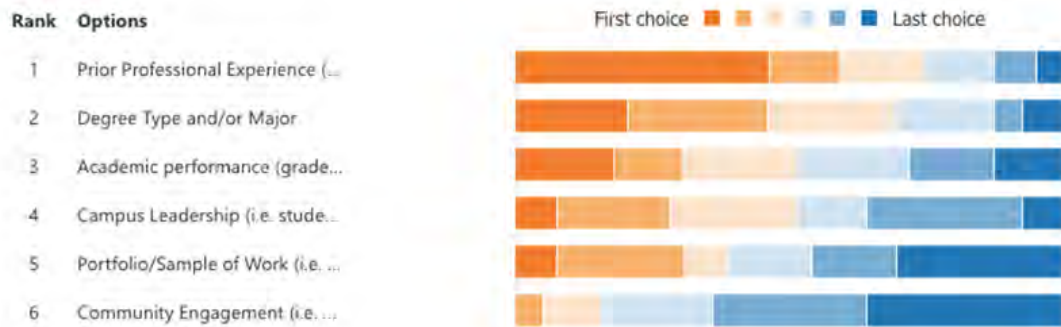
While respondents expressed frustration that universities do not prepare students with the skills they demand, they did report that at least some of these skills actually do exist in the market. When asked which skills the average Vietnamese university graduate possesses, respondents seem to imply that some of these skill demands, such as numerical and data analysis and research skills, are actually quite common. On the other hand, leadership skills, brand management, and planning and forecasting skills were rated remarkably low, with as few as one respondent stating the average graduate holds these skills. Critical soft skills, including negotiation, time management, and entrepreneurship skills were also rated quite low.

When asked to rank the importance of six common university experiences (internships/apprenticeships, community service projects, writing intensive courses, research projects, study abroad, and developing a portfolio of past work/writing), there was not a significant variability in the perceived importance. Portfolios scored the highest average rating, followed by internships and study abroad programs, but it's worth noting that 25% of respondents ranked internships as the most important (the highest score of the six options). The relative value of professional experiences like internships was clear when respondents were asked what factors are most important in considering a candidate for hire, with 46% ranking prior professional experience as the most important factor. Degree type or major was second with 21%, followed by Academic Performance at 18%. In contrast, Community Engagement and Portfolios were ranked as the least important criteria for consideration.



34. What information is most important when considering an entry-level candidate? Please rank from most to least important. (Drag the options in order of importance, with the most valuable at the top and least valuable at the bottom).

[More Details](#)



### Hiring Demands and Approaches

Just over half of respondent companies hired between one and ten positions last year, while 24% hired between 10 and 25 positions. On the other hand, a majority had between one and ten positions go unfilled in the year; 10% had between 10 and 25 positions go unfilled; and 5% faced upwards of 25 empty positions. Almost 70% of all advertised positions required a bachelor's degree. In terms of specific hiring challenges, respondents replied that management roles were the hardest to fill, followed closely by strategy, marketing and engineering roles. In contrast, human resources and IT roles were the easiest to recruit. Given some of the challenges of recruiting, we might expect companies to work in close partnership with universities to identify promising new candidates. While such relationships are true for some companies, 41% of respondents indicated they did not partner with universities in any capacity.

### Takeaways

Overall, one must exercise caution against extrapolating broad-based conclusions from this relatively small sample size. However, the findings are internally consistent on some measures and can give us helpful insights into some employers' views of the Vietnamese labor market and education system. With a skeptical impression of the quality and utility of Vietnamese university education, employers who responded to the survey are frustrated with recent graduates' lack of "are not ready to work under stress and constantly have short-term visions and drives which mostly are driven by monetary means." Another respondent expressed concern for the short-term mindset of some younger employees and a need for greater resilience, adding that companies face "too much turnover due to staff leaving with explanation 'not compatible.'" Respondents also noted that while some recent graduates might have technical skills, they struggle with the big picture, stating "staff are not able to connect day-to-day activities and responsibilities to bigger picture company vision or goals." Finally, one respondent shared concerns that the disconnect remains between higher education and employer needs, asserting "Grads need more insight into actual business, not just academic learning from [professors] who have never had experience in the real world doing what they are teaching."

Overall, while some of the statistics are troubling, there are opportunities to learn from this information. To start, Vietnamese colleges and universities have an opportunity to identify meaningful ways to build soft skills for their students. While this practice is already common in Western-style liberal arts institutions such as Fulbright University Vietnam, most universities can and should identify opportunities to better integrate soft-skills development into their formal curriculum and student life experience. In part, these skills are modeled by faculty and staff when facilitating classroom discussions and supporting students. Student assignments can create opportunities for students to apply

their learning and gain better understandings of the kinds of dynamics they might experience in a professional office setting.

The data also suggests that there is a lot more room for employers and universities to partner closely. While some institutions are partnering with universities to offer internships and inform curricular design, many employers do not have any formal relationships with local universities. There is great opportunity for Vietnam to improve its domestic labor market and meet increased and diversified labor demands if employers and educators work together to address these needs. Identifying ways to invite industry experts as curricular advisors or adjunct faculty and lecturers are some initial ways higher education institutions could build employer relations. Similarly, employers could establish formal training and internship programs with specific universities and could offer to host classes or tours at their sites.

These findings provide meaningful inspiration for stakeholders in Vietnam to build more collaborative relationships to improve the readiness of future university graduates and support the country's future development. With the publication of these findings, the AmCham Vietnam Education Committee and Fulbright University Vietnam plan to convene educational and industry partners to discuss how to use this newfound perspective to inform the way we teach, recruit, and train young people in Vietnam. If you have an interest in participating in these forums, please contact: [education@amchamvietnam.com](mailto:education@amchamvietnam.com) or [Vincent.pham@fulbright.edu.vn](mailto:Vincent.pham@fulbright.edu.vn).



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- **The AmCham Vietnam - Ho Chi Minh City** team for support in circulating the survey and engaging members to participate.
- **Dr. Megan Bulloch** designed the initial survey and conducted essential research; she currently serves as Adjunct Professor at Bennington College.
- **Tram Cao**, M.Ed., provided support in the survey design and execution. She serves as the Undergraduate Program Academic Affairs Manager at Fulbright University Vietnam.
- **Dr. Ryan Derby-Talbot** provided project oversight as the former Chief Academic Officer at Fulbright University Vietnam.



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**The AmCham Vietnam**  
**Ho Chi Minh City team**  
*for support in circulating the survey*  
*and engaging members to participate*



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