

SOLUTION TO TRAIN THE WORKFORCE AND PREPARING TOURISM WORKFORCE TO MEET THE REQUIREMENTS OF LABOR TRANSITION TREND IN INTEGRATION CONTEXT

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Abstract:

The article presents the study outcomes on the national workforce and the workforce in the tourism industry in particular. Specifically, the current situations, the existing challenges especially for the workforce in the tourism sector are featured. A set of solutions is given to fix the problems and create a better preparation for the workforce, to suit the transitional trends in the labor market under the context of international integration.

Keywords: workforce training, labor transition, integration, tourism sector.

On November 22nd 2015, under the framework of 27th ASEAN Summit, ASEAN's leaders signed in the Kuala Lumpur the Declaration 2015 on the "Establishment of the ASEAN Community", starting on December 31st 2015.

The creation of ASEAN Community brings many mobility opportunities for laborers in the region in general and for Vietnamese workers, in particular, to move to other countries in the region. In the meantime, this mobility trend also brings many challenges. In order to facilitate labor mobility within the block, we need to find ways to take advantage of the opportunities and overcome the challenges.

1. Labor mobility in ASEAN tourism sector

The ASEAN Community (AEC) consists of 10 member states with a population of over 620 million people, of which 300 million people are active in the labor force. Among the member states, 3 countries, Indonesia (40%), Philippines (16%), and Vietnam (15%).

account for over 70% of total labor forces in the AEC region. According to a recent forecast given by International Labor Organization (ILO), the participation in AEC will help to raise employment rates in Vietnam up to 14.5% in 2025.

The main objective of AEC is to create a single common market and a unified production base, in which commodities, goods, services, investments, capital flows, and **skilled labors can freely move**. As a consequence, the AEC enhances competitiveness and promote shared prosperity for the whole region through attracting investment flows and businesses from other regions.

In order to let highly-skilled laborers move freely within the AEC-region, they must prove their language proficiency in English competency or in local languages. Then they must show their soft skills such as teamwork, computer literacy, and knowledge of local cultures, etc. However, the most difficult part for migrating laborers is to prove their competency. So it is necessary to have a common standard for each occupation and

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a mutually-recognized measurement mechanism. That is the Mutual Recognition Arrangements (MRAs).

MRAs is an important tool to promote the labor mobility in the region. This tool will help the member states to gain knowledge and experiences from the experts in certain occupational fields.

Up to now, for 8 occupations MRAs are approved (it means that 8 occupations are eligible for free movement). They include engineering, medical doctors, dentists, nurses, architects, surveyors, accountants, and tourism services [2]. On September 8th - 9th, 2016, the international conference on MRAs on Tourism Professionals (MRA-TP) was successfully held by the Ministry of Tourism of the Republic of Indonesia in Jakarta. Tourism is officially the first occupational domain to gain an MRA.

MRA-TP, which was signed in 2012 by ASEAN's member states, will create conditions for free movement of skilled labor within the region. The skilled workers are granted a certificate in a member country and that certificate will also be recognized by the rest of the member countries. In order to apply the MRAs, the member states have co - developed common occupational skills standards and an ASEAN's curriculum for tourism professions in six most attractive tourism occupations: ***receptionist, housekeeping, waiters/waitress, cook, tour operator and travel agent.***

At present, AEC is urgently completing the elements to ensure effective and officially applicable MRA - TP, which includes: The signing ceremony for the establishment of the Regional Secretariat to issue MRA - TP. Developing a pool of trainers, ASEAN assessors to be expanded at member country

level. Develop training and assessment tools, based on occupational skills standards of the six aforementioned occupations. Establishment of the National tourism professional monitoring committees, and National tourism appraisal and certification boards in all the member states. Conducting a comparison of tourism occupational skills standards, training curriculums, diplomas and certificates among the member states through the common ASEAN reference framework. It aims at recognizing the tourism qualifications of the workers in the region and building online registration systems and software for qualification assessment.

2. The Current status of the labor force and labor in tourism sector

Ranked as the 3rd position among ASEAN nations in terms of active labor force participation, a sound competitive edge, Vietnam's workforce has still many weaknesses.

According to statistics from Ministry of Labor, Invalids and Social Affairs (MOLISA) and the General Statistics Office (GSO) [5] the size of the active labor force in Vietnam in the 2nd quarter of 2016 had reached 54.36 million people, in which the ratio of trained and certified labor qualification accounted for just 20.62%. According to MOLISA, trained laborers include those categories, who finished formal vocational training programs, attended regular job training organized at VET institutions, in enterprises, in handicraft villages, in training organizations, and by individuals. This means that the ratio of trained labor is 38.5%. Therefore, the number of trained laborers is still quite limited.

Box 1: Labor force in tourism sector

In the tourism sector, personnel with vocational education at elementary, secondary, and col-legal levels constitute the main direct labor force that delivers tourism services and accounts for 47.5% of trained laborers and 19.8% of total laborers working in this sector. The ratio of workers with undergraduate and postgraduate levels accounts for 7.4% of the total labors that are tourism professionals and accounts for 3.2% of the total labor force in tourism sector [8].

In 2013, there were around 550,000 direct employment and 1,200,000 indirect employment in the tourism sector and this number was expected to reach 650,000 direct employment and 2 million indirect employment in 2015 [9]. Each year, Vietnam needs 40,000 more tourism labors while the number of graduates from tourism schools is just 15,000 people/year.

The World Bank (WB) also confirms that Vietnam has a huge lack of skilled workforce and high - tech workers. Most employers acknowledge that recruitment is a difficult task, because of unqualified applicants, or because of the scarcity of workers in specific occupations [4].

According to the survey conducted by International Labor Organization (ILO) under employers in ten ASEAN nations shows their big concern of ASEAN's employers about the lack of skilled workers at the advent of the AEC by 2015[3]. Almost 50% of the surveyed employers informed that high school graduates did not have sufficient skills for the job. Even university graduates equipped with many useful skills, still lack the necessary skills in

skills in the demand by employers (in both quality and quantity terms). Apart quality of labor, Vietnam's workforce structure also contains many deficiencies and the risk of increasing inadequacies. As of 2nd quarter of 2015, workforce structure in Vietnam was represented as 1 university graduate or higher over 0.35 college graduate, over 0.65 technical secondary school graduate, over 0.4 technical elementary school graduates [5]. On the other hand, according to the systematic labor market insights the size of the direct workforce (consisting of leavers from colleges, technical secondary schools, and technical elementary schools) should exceed many times the size of the indirect workforce (recruited amongst university graduates), as is shown in box 2.

Box 2: Labor structure of tourism sector [8]

65.5% of the total of tour guides is reported to have a bachelor degree, and 84.2% of the total of tour marketers are university graduates, and that of the total of receptionists is 65.3%.

Graduates from vocational education at elementary and secondary levels account for the larger part of positions of housekeeping, bartenders, cooks, etc. in which the ratio is 85.61% for the total of cooks, and 72.4% for the totals of housekeeping, bartenders, and waiters/waitresses.

There are around 1,210,000 indirect labors in this sector with 660,660 labors below elementary vocational training level, which account for 54.6%; 215,380 labors at elementary vocational training level or 17.8%; and that at secondary vocational training level is 183,920 labors or 15.2%; the number of university and college graduates is 147,620 people or 12.2% and 2,420 postgraduates - 0.2%.

In general, a low ratio of trained labors and improper workforce structure are two of the reasons that lead to low labor productivity. According to the evaluation released by ILO in 2014, labor productivity in Vietnam remains low compared within the Asia-Pacific region and ASEAN: it only accounts for 1/15 of the labor productivity of Singapore, 1/5 of that in Malaysia and 2/5 of Thailand's labor productivity level [3]. Not to mention the comparison of Vietnam's labor productivity with those in Japan, Korea, Australia, India, New Zealand, etc. which are all close partners with ASEAN. In addition, WB's experts assume that Vietnamese workers

remain weak in willingness to consider the option of labor mobility within ASEAN region. The required outward attitude and mentality, the knowledge to take preparatory steps, and migrate are actually not sufficiently in place. For instance, the foreign languages competency. There are only a few Vietnamese workers, even those who live in big cities, willing to learn ASEAN's languages such as Thai, Lao, Khmer, etc. English competency of Vietnamese workers is on average graded at 5.78 points (if apply point scale of 0-9), which remains at a low level and stays behind Malaysia (6.64), Philippines (6.53), and Indonesia (5.97).

Box 3: Foreign languages competency in tourism sector [7]

60% of total labor force in the tourism sector has a good command of foreign languages. This figure is a rather high number. However, this ratio is not sufficient enough in practice. The most popular language used in this sector is English with 42% of workers. The ratio of Chinese users, French users, and other languages are 5%, 4%, and 9% respectively.

In general, tour guides, travel agents, travel marketers, receptionists, waiters/waitresses are the jobs with the highest ratio of foreign languages' users: 88.6%. Nevertheless, the number of laborers who have proficiency in two foreign languages or more is only 28%. The ratio of tour guides, who have a bachelor degree in foreign languages is 49.6% and the ratios for travel marketers, receptionists are 46.8% and 40% respectively. Meanwhile, hardly any cook has a bachelor degree in foreign languages.

According to Global Talent Competitiveness Index (GTCI) 2015 - 2016 (A survey, which took place in 109 countries, 83.8% of the world's population and 96.2% global GDP), in Southeast Asia region, Vietnam ranked fifth after Singapore, Malaysia, Philippines, and Thailand. On the global scale, Vietnam is ranked in the 82nd position. In the Labor & Employment Index of the GTCI, Viet Nam ranks 95 out of 109 countries [13].

3. Manpower training solutions to meet the shift requirements

3. Perspectives for manpower training for labor mobility

In order to tackle the existing limitations of the labor force and particularly for tourism

manpower, to meet the requirements for future labor mobility options within ASEAN region, it is necessary to perform some of the following tasks: *Firstly, it is necessary to the development of institutions, put procedural mechanisms in place and build suitable VET development policies, in line with the requirements set by the regional integration context. This need for alignment might demand the following initiatives:*

- Sign agreements on mutual recognition arrangements concerning diplomas and certificate recognition, **transfer of study credits**, and skills between Vietnam and the member states of ASEAN (for the remaining 7 occupations).

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- Build stronger policies and procedural mechanism to attract investments;

- Expand the existing autonomy for VET institutions;

- Promote the **socialization** foreign educational activities in VET-sector to meet the requirements of Vietnam regional integration

- Step up the reform of administrative procedures to create a more favorable climate for domestic and foreign investments in the VET-sector.

Secondly, the network of VET institutions nationwide needs to be restructured and improved to let the individual institute caters in an effective way for regional integration. The following suggestions are relevant.

Restructuring the network of VET institution has to be done, based on the review and assessment of progress with regional integration process in the forty-five schools, which are selected and assigned to invest and become high-quality VET providers and schools assigned to train graduates for the regional ASEAN focal occupations.

- Review the progress made concerning the ASEAN and international focal occupations in the selected VET institutions: Middle schools and colleges.

Thirdly, we should deploy the National Qualification Framework, with the help of the following suggestions:

- Apply and adjust the National Qualification Framework (NQF), referring to the approved ASEAN Framework Agreement.

- Build learning outcomes, based on the “new” NQF, which is adjusted by referring to regional and international skills standards.

Promote the formation and creation of **credit transfer systems**, mutual recognition of certificates and diplomas

among ASEAN's member states and globally. Fourthly, we need to improve the training quality in accordance with regional and international standards. The following steps are suggested:

- Reforming the training curriculum in VET institutions to achieve the advanced performance levels by the graduate, commonly accepted of developed countries in the region and the world; Raising teachers', professional capacity in pedagogy and foreign languages according to international standards.

- Strengthening English language training capacity in VET establishments to ensure that trainees are enabled to communicate in the working environment. Graduates from high-quality training programs are sufficiently capable to work in the other regional ASEAN countries and other parts of the world; Develop specialized and customized English curriculum to attract foreign students. and in addition, develop training curriculum in other ASEAN's languages for specific study areas.

- Strengthen VET quality accreditation in line with regional and international standards encourage VET institutions to perform self-accreditation, or to be accredited by reputable international accreditation agencies.

- Set up a plan to organize training operations in the eight mutually-recognized occupations within ASEAN i.e.: region, Engineering, medical doctors, dentists, nursing, architecture, surveyors, accountants, and tourism. Actively participate in the ASEAN Skills Competitions and World Skills Competitions. - Promote student mobility and exchange in the ASEAN region and assess and grant certificates for graduates participating in the student exchange training programs. Consequently, the graduates may receive two kinds of certificate: One certificate

from Vietnam and another certificate from the ASEAN country's institution participating in the student exchange training program. Fifthly, the enterprise - VET institutions linkages should be strengthened with the following ideas in mind:

- Develop in-company training, through closely connecting VET institutions with enterprises. The objective is to understand the industrial quality standards, working procedures and related requirements for graduate's qualifications formulated by the business sector. A next step might be adjusting and building the (new) training curriculum.

- It is necessary, to see the enterprises as the focal point, the subject and the motivational force in the multi-level development of Vietnamese VET-system: From micro to macro levels.

- A first step could be a school team with practitioners assessing the requirements of a number of the enterprises in the school region. With the assessment results an in-school debate should start "How to adjust training objectives and methodologies in accordance with the requirements of the enterprises in the school region?" □

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