

**Vietnamese overseas students' expectation toward recruitment agencies in home country**

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<p><b>The title of the thesis</b></p> <p>Vietnamese overseas students' expectation toward recruitment agencies in home country</p>	<p><b>Number of pages and appendices</b></p> <p>46 + 2</p>
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<p>The objective of the thesis was to explore the expectations of students studying abroad to recruitment agencies in Vietnam. The study aims at recommend the right service for recruitment agencies offer to students to find a job and explore the culture obstacles for their career development when return home. The study originated from author's own experience when finding an internship in Vietnam.</p> <p>The theoretical framework is based on relevant areas of theories of recruitment process, national culture, organizational culture. Theories of various authors such as Dowling, Gómez-Mejía, Dessler, Beardwell, Hofstede were to create the empirical part and find out the result of the study.</p> <p>The empirical part was conducted through phone, interviewing five managers of five top recruitment agencies in Vietnam, and face to face, interviewing ten students studying in Finland, which enabled the respondents to express their opinions, feelings and experiences. The interview themes were recruitment method, recruitment agencies, student expectations and culture obstacles.</p> <p>The results of the study indicated that finding a job through job advertisement and recruitment agencies are the two most effective method. Online recruitment may develop very strongly in near future. Recruitment play important role in labour market, however, only Vietnamworks which is the most popular and competitive recruitment agencies market was mentioned. Students from abroad expect career consultation services, law services, interview and resume preparation and skills training from the recruitment agencies. Culture obstacles for career development are due to the different culture dimensions between the countries where students are studying and Vietnam where they would like to work. Equal treatment between male and female is common when selecting employee for job opportunity. High power distance hinders students' job advancement and collectivism and low uncertain avoidance create difficulties in group working.</p>	
<p><b>Key words:</b> recruitment method, culture dimensions, recruitment agency, student expectation.</p>	

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## **1 Introduction**

Vietnam is the biggest market in ASEAN with the total population of 83.120,00 people in 2005. Currently, 60% of the Vietnamese population is under 35 years old and there are near two million students including about 124.480 students studying abroad. There has been a sharp increase in Vietnamese students going abroad to study with a higher rate every year. The chairman of the Vietnam International Education Consultants Association Tran Xuan Nhi asserted that “Studying abroad is getting more and more popular among Vietnamese students. Some 10,000 Vietnamese people study overseas every year.” (Vietbao Newspaper, 2009). In other words, this is the growing number of highly skilled Vietnamese, especially people trained in foreign academic environments, in fields of health, sciences, engineering and information technology. In Viet Nam, there are 80 big recruitment agencies which provide various types of services for job applicants from low to high skills.

On the other hand, Vietnam joined the WTO, which offers more and more opportunities for international companies and investing organizations. Manpower is instrumental and manpower shortage can be the biggest challenge to any business, there is a necessity to have more recruitment agencies for Vietnam labour market. Therefore, demand for recruitment agencies specializing on high skilled employees has grown in order to respond to market demands for more flexible and temporary work arrangements; to meet the needs of employers who want skilled employees and the job seekers who want to pursuit better job opportunity.

### **1.1 Purpose and the objectives of the thesis**

Vietnamese students graduating abroad usually want to stay and work in foreign countries because of e.g. low salary, limited working environment, opportunity and inappropriate policies in their home country. In recent years, students have changed their minds and have decided to return home, because there is more help from government consultancy centres for students studying abroad. They coach students and provide them suitable work placements to ensure their return. There is the recommendation of the establishment of a database on overseas students who need the help of consultancy or recruitment agency to keep open the channels of communication and provide the opportunity to return home.

A recruitment agency with the help of the information gained through my research will take one step closer to overseas students as their customer. It is a big advantage for them to know

about students' wishes and expectations after a long stay abroad and study in developed countries. The expectation for their services will be described clearly.

To achieve the aforementioned purposes, the research will seek to accomplish the following objectives:

1. To explore the expectations of Vietnamese students abroad toward recruitment agencies in Vietnam
2. To recommend right services for recruitment agencies in Vietnam

## **1.2 Research problems**

To meet the objectives set above, the following research problem has been formulated:

1. What are the student's expectations as services offer from recruitment agencies?
  - a. What are the most common processes of recruiting people in Vietnam today?
  - b. How does the culture affect the job selection in Vietnam?

In order to answer the questions above, the need of understanding about recruitment process is a must. There are different methods for recruiting job candidates, which depend on what types of job employers offer and skills that employees have used. Accepting the fact that nowadays companies do not want to invest too much money in developing their human resource management department; they pass the work for recruitment agencies that are more skilful in finding right people for right position. Therefore, the common process of recruiting people can in many cases be described as an agency's recruiting process.

In addition, the current situation of recruitment market which relates to the economic growth is also a highly needed area of study. In Vietnam, due to the large amount of jobs in the market and huge labour force, there is the big gap of education and skills. There is also the need to understand the organization culture and national culture, how they affect job selection of student from abroad.

Moreover, meeting the students' expectation on the job inside the local market is the most important thing for an agency getting success. Since an increasing number of Vietnamese students have been trained and graduated in developed countries, they expect the right salaries

and working environment that can be offered by a recruitment agency. Hence, the way recruitment agency provides services to customer is important and necessary to learn. It is interesting to know how recruitment agencies in Vietnam are managing this specific labour resource.

By doing this research, the understanding about Vietnamese employment market, working environment and job opportunities will be described for both employer and job searcher. Based on the result of this research, hopefully, more information is available for the recruitment agency to meet its customers' expectations effectively. It is seen as one of hot business opportunities in a developing country like Vietnam.

### **1.3 Research design and the structure of the report**

The thesis consists of five chapters including the introduction chapter. It begins with a brief introduction of the research and its purpose, objectives before moving into the theory section, starting in Chapter Two. The empirical section brings together the research and analysis in Chapters Three and Four and followed by the final discussion, conclusion and recommendation in Chapter Five.

The introduction provides a background of the research problem and the author's motivations for conducting the research. It also outlines the main research question as well as the sub-questions used in the framework of the thesis. The theory section of the thesis gives an overview of the common recruitment process including recruitment methods. This chapter also introduces organization and nation culture dimensions and how it affects to job selection of employees. The concepts about students' expectations are also explored in this chapter.

The empirical part of this study involves the research methodology and presentation of the result in Chapters Three and Four. Empirical method starts with description how data is collected and also it describes crucial the validity and reliability discussion of the research. The next chapter presents the findings of the study.

At the end, the fifth chapter represents the final discussion for the result finding in empirical part, the summary of the main points and also the recommendation for the future research.

## 2 Theoretical Framework

### 2.1 Vietnam today

It is important to clarify the land and the culture of Vietnam to help understand the present economic situation and the need of skills and competencies in Vietnam

Vietnam is the new hot-bed for business development in Southeast Asia. It is often billed as the "alternative to China". Vietnam is only second to China in GDP, and often rivals India as the 2nd or 3rd economic engine. Vietnam began economic reforms with a new of economy policy known as “doi moi” or “restructuring” in 1986. The economic reforms is described as a process of attracting foreign investment, upgrading banking system, improving macro-economic policies, international trade and creating new law system. Since then, a series of continuing reforms under “doi moi” have created a new period of rapid economic growth. “At present, by law, all Vietnamese businesses, including private enterprises, has the right to engage in export and import businesses. Foreign trading companies are also allowed to set up branch offices to conduct trade”. As a result, both exports and imports expanded at a faster pace than GDP. Vietnam is considered as one of the fastest growing economies in the world. (Yuing and Xuan, 2008)

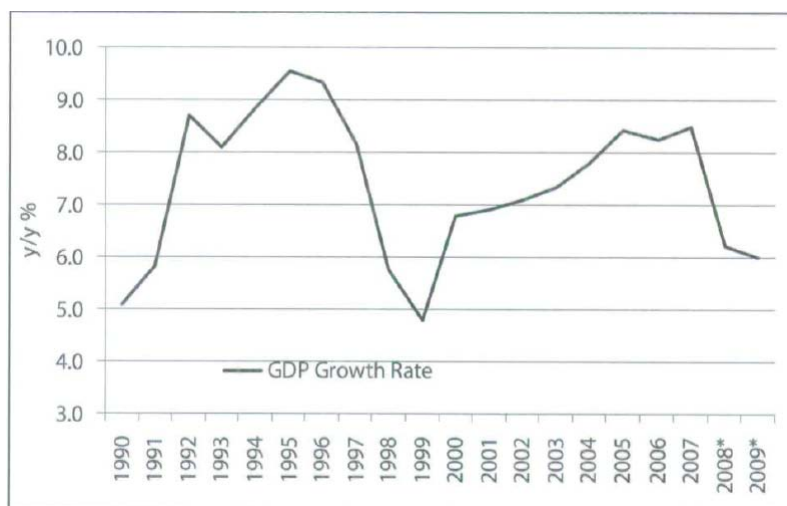


Figure 1: Vietnam: Average GDP Growth of 7.6 per cent during 1991-2007 (Adopted from Das and Shrestha, 2009)



Figure 1 shows that the GDP of Vietnam has grown rapidly with GDP growth rates in excess of 7% a year from 1991 to 2007. In 2008, because of the effect of economy crisis, the economy of Vietnam went down slightly, but there is the signal of economy recovering in 2009 and 2010. A large part of this growth can be attributed to foreign investment. (Das and Shrestha, 2009)

### 2.1.1 Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) is an important factor for the growth of the Vietnam's economy. FDI comes from a wide variety of countries. Investors from 76 different countries and economies have invested in Vietnam during the past two decades. The biggest investors come from Singapore, Taiwan, Japan, and Korea. FDI has been playing a very important role such as stimulating export activities, introducing technology know-how, generating job opportunities, and providing the capital for heavy industry. The market size, the attractiveness of a transitional economy, cheap labour force, plentiful resources and so on are factors that attract the foreign investor. (Varamini, Hossein & Vu Anh, 2007)

In the view of open-door economy, Vietnam has got success in series reform of "doi moi" which result the attractiveness of market to FDI, the rapid growth of economy, Vietnam has become the most promising country for international companies come to find opportunities for investment and to do business. Those companies have focused on industries such as manufacturing, real estate, construction, hotels and restaurants, transport. (Varamini et al. 2007)

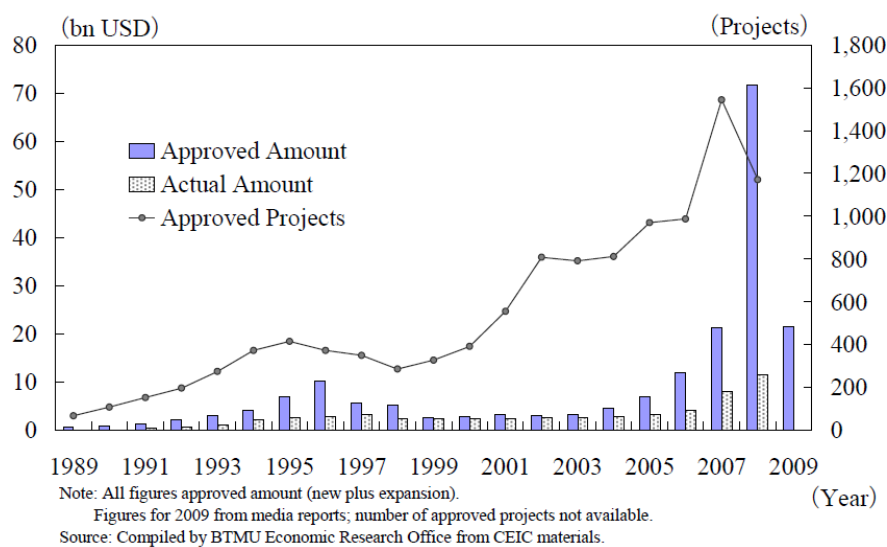


Figure 2: Direct investments and approved amount (Adopted from Varamini et al. 2007)

Figure 2 shows the increase of FDI in Vietnam from 1989 to 2009. Foreign Direct Investment inflows into Vietnam have increased dramatically from USD 0.34 billion in 1988 to \$5.3 billion in 2005 with an annual growth rate of 28 percent. Vietnam became the WTO's 150th member in January 12, 2007. This development has provided new opportunities for Vietnam particularly to attract and maintain FDI. Large-scale foreign investment projects increase in 2008, hitting a very high score. Foreign investment in 2009 is equivalent to just 70 percent of the previous year. Viet Nam planned to attract \$22 billion from FDI in 2010. The total FDI capital registered into Vietnam from the beginning of the year has reached \$11.577 billion, on August 20, 2010. (Vietnam business news, 2010)

### **2.1.2 Partnering with Vietnamese Companies**

Foreign companies often partner with a local firm in the form of a joint venture, which can be designed such that the local partner transfers its existing operations and the foreign partner may over time buy out the local partner to attain 100% equity. This partnership brings benefit to both sides since Vietnamese managers often have an engineering education, modern management and leadership skills to lead the working process adapt to local market. On the other hand, "foreign investors report good experiences with combining formal education with on-the-job training such as shadowing or rotating staff through other operations in Southeast Asia, such as to provide practical experiences on how concepts and processes of the multinational firm can be implemented in an Asian context". However, understanding the market is a must in doing business. After establishing a joint venture, foreign companies face challenges for knowledge sharing and organizational managing in the local entity. Understanding of the specific traits of Vietnamese business culture plays important role in success of foreign companies. (Meyer, Yen& Hung, 2006)

### **2.1.3 Young Employment in Vietnam**

Viet Nam is experiencing an increase in the proportion of 'youth'. The young population will take the country into a new social and economic age. According to the Ho Chi Minh Communist Youth Union and the Vietnamese Youth Federation, youth are defined as those aged 15-24 and the young labour force those aged 15-29. By 1999, the Vietnamese youth

population aged 15-24 reached nearly 15 million and is projected to be about 24.5 million people in 2010 in making up around 30 percent of the population. This is the golden period of a population, when the number of working people exceeds the number of dependant people, is supposed to last 30 years (2010-2040). Vietnam has a golden opportunity to take advantage of a young labour force and push its economic growth, especially in the 2011-2020 periods, when the country is striving to become an industrial and middle income country. (Nguyen Anh, Duong & Van, 2005)

In addition, different groups of youth have different labour market characteristics based on key traits such as gender, age, marital status, ethnicity, education, etc. Therefore, there are the needs of recruitment agencies which deal with problems related to employment, in general, and youth employment in particular. (Nguyen Anh, Duong & Van, 2005)

## 2.2 Recruitment and selection process

Recruitment and selection process is concerned with attracting and hiring suitable people to meet organization's requirement. Recruitment is defined as searching for and obtaining potential job candidates in sufficient numbers and quality so that the organization can select the most appropriate people to fill its job needs; whereas selection is the process of gathering information for the purposes of evaluating and deciding who is the right person in particular jobs. Recruitment and selection are discrete processes and both processes need to operate effectively if the firm is effectively to manage its staffing process. (Dowling, Festing & Engle, 2008, 109).

The recruiting and selecting process itself can be best envisioned as a series of hurdles as in the following figure:

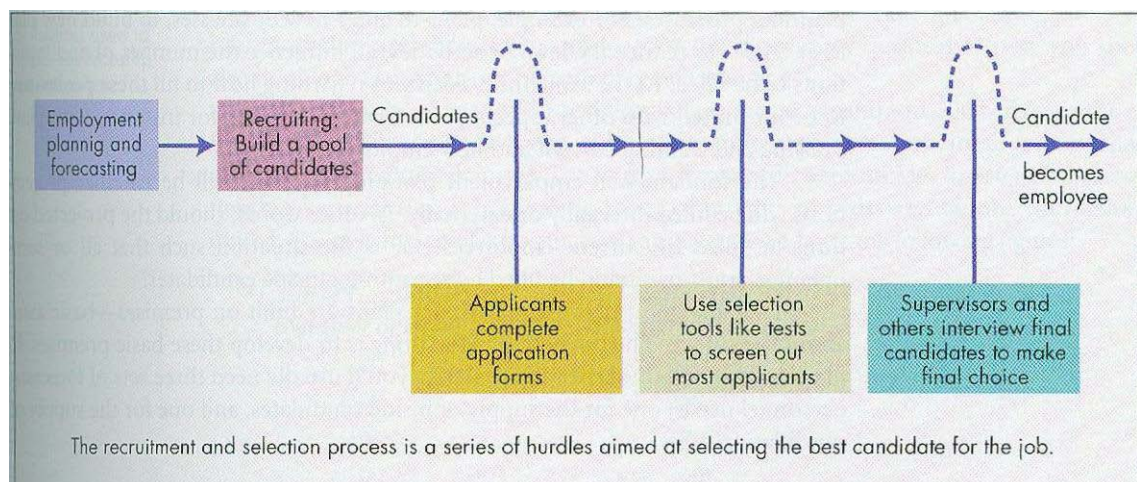


Figure 3: Steps in Recruitment and Selection Process (Adopted from Dessler 2000, 123.)

### 2.2.1 Employment planning and forecasting

Employment and personnel planning is the process of formulating plans to fill or eliminate future opening, based on analysis of the positions that expected to be open and needed and whether these will be filled by inside or outside candidates. Employment planning, therefore planning regarding any or all the firms' future position, from maintenance clerk to CEO (Dessler 2000, 123).

The process begins with human resource planning (HRP). The human resource planning of an organization uses to ensure the right amount and the right kind of people to deliver a particular job of output services in the future. Organization which fails to conduct HRP may not be able to meet their future labour needs. This failure can lead to significant financial cost. The HRP entails forecasting labour demand as the demand for the firm's product or services increase or decrease and labour supply which may come from existing employees or from outside the organization. (Gómez-Mejía, Bankin & Cardy 2007, 147)

There are two basic categories of forecasting techniques, quantitative and qualitative. Quantitative techniques have two limitations: most rely on past data or previous relationship between staffing levels and other variables, however, relationship that held in past may not hold in the future, and forecasting techniques were created during the 1950s, 1960 and early 1970s. They are less appropriate today. However, qualitative techniques rely on expert's qualitative judgments or subjective estimates of labour demand or supply. The experts may include top managers who involve in the HRP process will be interviewed for conducting data. (Gómez-Mejía et al. 2007, 151)

The next stage involves drawing the personal specification. Firstly, a comprehensive job description of the job should be filled. This enables the recruiter to know exactly what the purpose, duties and responsibilities of the vacant position will be and its location within the organization structure. Then the recruiter draw up a person specification which based on the job description, and which identifies the personal characteristics required performing the job adequately. (Beardwell, Holden& Claydon, 2004, 205)

### **2.2.2 Recruitment**

The recruitment process is really a marketing activity while the qualified candidates are the customers and organizations are trying to sell the job to them. Finding the right recruitment method will increase the number of job applications. The more applicants an organization has the more selective organization can be in its hiring. If only two candidates apply for two openings, the organization may have little choice but to hire them. But if ten or twenty applicants appear, organization can use techniques like interview and test to screen out all but the best. (Dessler 2000, 134)

There is a wide variety of recruitment methods including the use of information personal contacts such as existing employees, informal grapevine and speculative application; formal personal contacts such as careers fairs, open days, and leaflet drops; advertising, external assistance including job center, employment agencies, etc. (Beardwell et al. 2004, 208)

### **2.2.3 Selection**

Selection determines the overall quality of an organization's human resources. The right employee is important to organization. Employees with the right skills and attributes will do a better job for the organization. Hiring the wrong employees can cause friction among staff as other workers become resentful of having to pick up the slack of inept employees. (Beardwell et al. 2004, 209)

Shortlisting is the initial step in selection because it is unlikely that all job applications meet the necessary criteria. This step is to categorize candidates as probable, possible or unsuitable. This should be done by comparing the information provided on the application form or CV with the predetermined selection criteria. (Gómez-Mejía et al.2007, 162)

Various selection techniques are available, and selection procedure will frequently involve the use of more than one. Interview is universally popular as a selection tool. The two most popular interview techniques are behavioural and situational interviews. Telephone interview is a part of selection process in some organizations; mostly it is used as part of the shortlisting process rather than to replace the face to face selection interview (Beardwell et al. 2004, 212). A test is basically a sample of a person's behaviour. Tests are widely used by employers today because it has validity to extent that employee with higher test scores perform better on the

job. Various tests measure a wide range of abilities; from verbal and qualitative skills to perceptual speed for example cognitive tests measure employee's capability in certain area then predict his job performance. A direct performance test, work sample test is used widely today. It is viewed as a fair and valid measure of job performance. (Gómez-Mejía et al. 2007, 165)

In the following I will present the most common tools in recruiting process

## **2.3 Recruitment Tools**

### **2.3.1 Advertisement**

Advertisement can be used both for local recruitment efforts and for targeted regional, national, or international searches. A good advertisement is the good communication from the employer to the potential applicants; organization addresses two issues: the media to be used and the ad's construction. The selection of the best medium depends on the type of position which organization is recruiting, the target groups, cost and the objective of the recruitment exercise. For example, organization wants to recruit specialized employees; job advertisements will be put in the trade and professional journals. (Beardwell et al. 2004, 208)

### **2.3.2 Internet advertising and career sites**

Today smart businesses are doing all they can to get great talent on board their organization. That means accessing the latest online tools, and projecting a highly attractive employer brand online. According to HR strategy specialists, the world has moved on from placing a situations vacant ad in the newspaper and waiting for the responses to roll in. To reach a good cross section of candidates in today's market, organizations need to go online. Internet technology delivers the same or better results as traditional recruiting. (Mullins, 2010)

Internet advertising is increasingly used as recruitment tool of employers because online advertisements are cheap, more dynamic and can often produce faster result than newspaper help-wanted advertisements. Over recent years, there has been a growth in the use of electronic methods by both recruiters and job hunters. An organization has its own website which provides background information for candidates and allow candidate to complete application on the website. (Beardwell et al.2004, 209.)

The following table “Traditional versus Internet-based recruitment” shows the differences between electronic recruitment and the traditional way:

Table1. Traditional versus Internet-based recruitment (Adopted from Beardwell et al.2004, 209.)

Step	Traditional	Internet
1	A job vacancy is advertised in the press	A job vacancy is advertised on the Internet
2	A job seeker writes or telephone for more details and /or an application form	All the company and job details are on the website together with an online application form
3	A job seeker returns the application form and /or Cv by post	A job seeker returns the completed application form electronically
4	Personnel review the written application forms or CVs	Specialised computer software reviews the application forms for an initial match with the organisation’s requirements

The basic different between traditional advertising and using internet for recruitment are that job details are viewed electronically and the application form can be completed and sent online, or a CV can be send as an attachment to an email. Online recruitment which is the use of online technology or the internet to match people to jobs is now a viable option for many industries. It usually means using organization’s website, a third-party job site or job board, a CV database or search engine marketing. The real strength and power of online recruitment lie in harnessing internet technology to not attract candidates but deal with them too. Therefore, online recruitment has its advantages compare to traditional recruitment. First, internet is good at gathering a large number of applicants quickly, organization soon find suitable candidate, it shortens recruitment cycle time. The organization cost will be reduced since using the website of organization for advertising costs nothing instead of amount of money for advertising in newspaper or media. There is a fact, local applicants respond to local ads, but people from anywhere respond to Internet ads, recruitment online provides global coverage 24/7. (Beardwell et al.2004, 210)

As an example, Web 2.0 can be mentioned. Web 2.0 has potential use in the recruitment and selection process especially beneficial in reaching passive job seekers, branding, relationship building. It offers automatic address book updates and viewable profiles helps create and manage a digital expression of people’s personal relationships or links. Employers can build

brand by using their own organizational websites and social networking sites and have ability to create a global list of contact details with others that have strong professional ties. Employee and employer can use web 2.0-related communication to seek perfect information about each other. Especially discussion forums and online recruitment fairs offer opportunities to have better understanding of the organization are working and candidates' characteristics. The most useful advantage of Web 2.0 applications is two-way conversations, which allows all participants to have the opportunity to participate and share opinions and knowledge online in a second. (Verhoeven, Mashood & Chansarkar, 2009)

Van Zyl (2009) argued that "Social Networking 2.0 can be defined as applications or web sites that support the maintenance of personal relationships, the discovery of potential relationships and should aid in the conversion of potential ties into weak and strong ties, by utilising emergent Web 2.0 technologies". There are three types of online networks, social networks such as Facebook, Myspace, Friendster; business network like LinkedIn, Spoke and Myconerners and 'second life". Leveraging social networking platforms such as Facebook, LinkedIn, and Twitter is a very important new approach which should be incorporated into recruiting strategy because talented young candidates are on one or other of these platforms (most probably Facebook) and they spend a lot of their time there.

Social/business networks sites are a suitable tool to find a job. Employers use both social network sites and business network sites to find candidates. Business networking sites have lower user rates than social networking sites however, employers are not going to balance this rate because employers have advantage when use business network in the recruitment and selection process. Employee starts using business networking sites more to find a job. (Verhoeven et al.2009).

### **2.3.3 Traditional recruitment agency**

Traditional recruitment agency is an organization which matches employers to employees. Recruitment agencies have traditionally been used for the temporary recruitment of staff to cover for periods when permanent staff is on holiday or get ill. There are three types of recruitment agencies: public agencies operated by federal state or local government, agencies associated with non- profit organization and privately owner agencies. Public agencies operated by federal state or local government provide services along with the effectiveness of what used to be the unemployment office. Agencies associated with non-profit organization



usually help people in special categories such as physically disabled or war veterans. Privately owned agencies are the most important source of clerical, white-collar and managerial personnel. (Beardwell et al.2004, 221; Dessler 2000, 137.)

Private agencies perform many services such as help applicants in resume writing, interviewing skills, and presentation. There may also be some testing available in order to determine the applicant's strongest skills. Private agencies have established relationships with local employers, making it easier for applicants to get past the first round of screenings. Typically, private agencies charge a fee based on the number of filling positions. (Beardwell et al.2004, 138).

#### **2.3.4 Executive Recruiter – Headhunters**

According to Dessler (2000, 147), “executive recruiters are special employment agencies retained by employers to seek out top-management talent for their client”. Executive recruiters may be the only source of candidates for the executive position. Executive recruiters do the preliminary work of advertising for the position and screening what could to be insignificant. They have the contacts and are adept to contact qualified candidates who are employed and not actively looking to change jobs. They also can keep the name of the firm confidential until the very end of the search process. The role of executive recruitment agencies today can consider as consultancy with the in-depth knowledge about the roles, positions, designations and compensation packages at all levels within the industry. They can help organizations create a package that will attract the best talent and advise on the designation and salary best suited for candidates. However, some executive recruiters are more sales-people than professionals. They may be more interested in persuading to hire a candidate than in finding one who is really suitable. (Dessler 2000, 148)

#### **2.3.5 College recruiting**

Realizing the applicant pool from college’s graduating class is an important source of management trainees, promotable candidates and professional and technical employees, organizations have sent representatives to college campuses to pre-screen applicants.

Internship is considered as win-win situation for both student and employer. For students, it is to gain opportunities to test their knowledge and skills in real situations and to learn about the

industry in their work placement companies. For employers, they can use interns to make contribution while they are being evaluated as possible full-time employees. (Dessler 2000, 152)

## **2.4 Impact of culture on recruitment**

Individual culture is a set of belief or standards shared by a group of people which can help the individual decide that is what or how he can feel, what to do. An individual can choose the culture in which to interact at any given money or in any give situation.

### **2.4.1 Organization culture**

“Organizational culture refers to employees' shared assumptions and norms, as well as tangible aspects of the work environment that influence and reflect these beliefs”. (Steven, 2010) Every organization has a culture that attracts some people and discourages others from joining. Candidate's 'staying power' is based largely on the organization's culture and the candidate's perception of their 'fit'. Companies that effectively manage their company culture will be able to attract people that fit better. (Steven, 2010)

Segalla, Sauquet & Carlo (2001) conducted research with the involvement of 300 managers from 25 firms from the financial sectors of France, German, Italy, Spain and the United Kingdom to find out how the cultural influences on employee recruitment and how to fit both the culture of Europe business and culture of the individual firm. The results of their study indicate that

Nationality is a good determinant of the choice of internal or external promotion systems. The data provide evidence that certain cultures are likely to recruit managers who represent a symbolic value for the organization or its clients while others follow a more instrumental recruitment strategy. It also finds that individual self-interest remains an important factor in managerial decision-making because lower skilled managers may resist hiring higher skilled recruits. Human resource programs designed to standardize career management policy across Europe may fail because of intentional and unintentional barriers. (Segalla et al.2001)

It is preferable to hire people who fit the culture of organization. However, when the goal of organization is to recruit someone to perform a specific task, when people will be working in an environment that is relatively isolated from the rest of the company culture may be less important. (Steven, 2010)

In recruitment stage, there are a number of key cultural features, which have an enormous impact on the way people are managed in Vietnam different from Western countries. For example, in Vietnam, “fit” denotes the creation of a “corporate family” whereby employees are united by long-term relationships rather than a Western HRM concept of strategic fit that links HRM to business strategy. Recruitment and selection was based on long-term relationships and interpersonal trust. Recruitment procedures in Vietnam begin when an applicant is identified by word-of-mouth – management will then delve into the applicant’s family background to determine merit. In such environments, existing employees only recommend those candidates they trust to protect their own reputation. In effect, this process is a social control mechanism because the selection procedures are based on social criteria rather than on business and related criteria. (Bartram, Stanton& Thomas, 2010)

Like many other Asian societies, face is extended to the organizational level. Vietnamese managers often talk about saving the face of the company by not firing employees or cutting back their wages. In case, managers fire employee who had put so much effort into building the organization the organization itself will receive a bad name. It seems that Vietnamese managers are more likely to accept reduced profits in order to retain staff. Trust was also considered an important factor in retaining employees. Managers suggested that if employees trusted them, then in turn, the employees would give their loyalty. (Bartram et al. 2010)

#### **2.4.2 Vietnamese culture under Hofstede’s culture dimensions**

"Dimensions of Culture" is a widely accepted industry tool that is used to measure cultural differences. One of the commonly used dimensions is Geert Hofstede's Cultural Dimensions which in brief are: Power distance, Uncertainty avoidance, Individualism, Masculinity and Long-term orientation (Hofstede, 2001). Vietnamese students who are studying in developed countries in European and different cultures will describe the advantage and disadvantage of culture difference in their career when they return home to work and develop career. That is why recruitment agencies in Vietnam pay more attention to the candidates who experience culture differences and thus in order to have better understanding and performance at work.

According to Hofstede (2001) the first dimension: Power Distance Index (PDI) is claimed to describe the extent to which the less powerful members of society, organizations and institutions expect and accept power to be unequally distributed. It suggests that a society's

level of inequality is endorsed by the followers as much as by the leaders. The second dimension: Uncertainty Avoidance is supposed to describe the extent to which people tolerate uncertainty and ambiguity. Vietnam is in high power-distance group with a low uncertainty avoidance, employees view their organizations as families, and bosses or managers are expected to take care of their employees financially and physically (Katrine, 2007)

The third dimension: Individualism (IDV) reflects the extent to which people are integrated into groups. On the individualist side, it finds societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family while in the opposite side, collectivist, cohesive in-groups, often extended families (with uncles, aunts and grandparents) which continue protecting them in exchange for unquestioning loyalty. The word 'collectivism' in this sense has no political meaning: it refers to the group, not to the state. Vietnamese belongs to collectivism group. The fourth dimension, Masculinity (MAS) refers to male assertiveness and competitiveness. The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values. Like in other Asian countries, especially in China, males outscored females in Vietnam. (McSweeney, 2002)

### **2.4.3 Vietnamese Business Culture**

In general, Vietnam has a “high-context” culture which implies that words spoken may vary in their meaning depending on the context. A formal greeting in Vietnamese is quite complicated, as it reflects a person’s gender, relation with the speaker, and the age difference. This jungle of pronouns is very hard to remember and mistakes can easily lead to embarrassment.

Vietnamese usually avoid saying “no” or indicating negative attitudes. The warmth and enthusiasm of the Vietnamese counterparts may not indicate their level of interest but merely be a polite courtesy to the visitor. As said earlier, the Vietnamese also place a great deal of importance on saving face. Since meeting the right party (and the right person) it is essential to successful business dealings, foreigner investors/businesspersons should be aware of teaming up with the wrong party or the wrong contact person because not many Vietnamese are willing to say such as “I am not the person who decides” or “I am not important”. Foreign investors should pay more attention to the business meetings especially with government

agencies. Business cards are usually exchanged at the first meeting. Business cards will be exchanged right after handshakes between the host and visitors. Vietnamese names can be a little tricky for Westerners as they start out with the family name, followed by one or more middle names, and then a given name. (Meyer, Yen & Hung, 2006)

## **2.5 Recruitment in Vietnam**

*Newspaper and Online News* – The daily news continue to be a popular channel of getting the word out. Tuoi Tre and Thanh Nien are the local Vietnamese-language papers of choice for the majority of firms announcing job vacancies. The Lao Dong news is a good option for entry-level and production/manufacturing staff. English-language newspapers and magazines are well available in Vietnam at present; however, they may have limited job listings for senior management-level positions. The VN Express is the leading online news and is one of the top three traffic web site in the country. (Chin, 2008)

*Company Web* - Posting on company career web-site is another popular destination for job seekers. Job seekers will learn more about company culture, strategy, and products than finding out about vacancies. Companies without homepage or careers web-site in Vietnam may leverage external job boards which are fast emerging as another platform for job seekers, to set up “landing pages” providing applicants with company specific information. (Chin, 2008)

*On-line Social network*- Activities such as blogging and social networking are gaining momentum at huge speed in Vietnamese rapidly growing markets. Social networks such as Facebook, Myspace, Friendster and Yahoo are used. Facebook is especially popular destination for the young Vietnamese. Understanding that, a lot of companies start using social network in the recruitment process. (Chin, 2008)

*Executive recruitment*- The recruitment market in Vietnam is highly competitive today. There are many famous executive recruiters in the market. The executive recruiters were established in 2000 in Ha Noi Capital and Ho Chi Minh City in Vietnam. These companies are foreign-owned or private companies with foreigner managers such as HR Vietnam, Vietnam Works, Smart HR, First Alliances, BDG and Manpower. Those companies compete with quality recruitment services by promising to provide perfect candidates, and also provide Human Resource Consulting services including competition analysis, cross-cultural training and so on.

Their target customers are international companies and large domestic companies that want to recruit experts or professional workers and employees who target to high-niche job. (Meyer et al. 2006)

Executive recruiters recruit online. They use interactive job website that is designed to allow candidates to update their resumes ensuring the best fits are based on the most recent information. The website is also updated daily with their clients' latest vacancies.

### *Recruitment agencies*

As already discussed in the chapter 2.1, economy of Vietnam has been growing in recent years. Investments have been made in many industries such as banking, pharmaceutical, food export, etc. Vietnam economy has developed a thriving export-oriented manufacturing sector and services sector which employ 45.6 million workers. In the end of 2008, 52.5% of the workforce, were working in agriculture, labourers in the manufacturing sector accounted for 20.83% of the total, and those in the service sector the remaining 26.55% (Viet Nam Net, 2010). The high demand for blue-collar group is the reason of the establishment many traditional recruitment agencies, job centers and private agencies in Vietnam. Such agencies charge fees for each applicant they place.

Recruitment agencies in Vietnam usually offer temporary help- service for short term basis. Their target customers are workers, sometimes unskilled workers, manual labour or students who are looking for a part time job. The job application for a job seeker is very simple; the most important things are age, address and phone number. This type of an agency is like an information transferee, and it is working for the employer. Therefore the interview session is passed to employers. Employer may ring the jobseeker to talk or "chat" about working conditions and other terms. Such agencies do not recruit online.

The another type of recruitment agencies which are called private agencies which are providing better service than common recruitment agencies in Vietnam. They have not got enough power or resources for the competition with such executive recruiters that dominate Vietnam's market with extreme advantages in finance and technology. However, they have advantage of the local knowledge to navigate the market with wise business plans. Private agencies advertise most positions in local newspapers. They do have their company website, but due to the fact that most Vietnamese people today still strongly believe in an old proverb

“Trông mặt mà bắt hình dong” which means “Looking at a face to catch its mime”, therefore both private agencies and a job seeker want to have initial meeting, allow to measure each other and develop a sense of understanding and trust. (Meyer et al. 2006)

## **2.6 Students' expectations for future career**

There are studies on student career expectations in relation to various factors such as, culture issues, promotion, differences for specific business functions, length of employment, ideal job acceptance, and the job search process. Students will be selecting the organizations they want to work for based on the kind of working conditions and flexibility employers can offer in terms of location, technology, workspace, and human resource policies and firms will need to re-evaluate their recruitment procedures to mirror these expectations. Considering as recruitment and selection resource, student expectations have important implications for recruiters, professors, and advisors. (Lynn and Lauren, 2010)

According to Scholarios, Lockyer and Johnson (2003), graduate students have rather traditional expectations about their future careers. The long term career prospects and the training offered are most important reasons for them joining the organization. However, graduates were rarely able to define clear long term and short term career possibilities and their perception of career progress affected their feeling of competence, their interpersonal skills and their ability to get thing done in the organization. In the job search, students have shown that they have more realistic expectations on their career development. They are more likely to have altered their career aims since the beginning of their degree programme. They expose to employers during studying at university. In the recruitment and selection procedure, sophisticated method (e.g. psychometric testing, work sample, and assessment centres) may enhance career clarity for a student to see the relationship between work experience and career clarity.

In order to meet the students' expectations, the employer both provides greater understanding of business needs clarifies career goals, the changes in perception of the labour market, career opportunities and have suitable recruitment and selection methods. The recommendation for student should be aware of the recruitment and selection method used by small and medium.-sized employers who are unlikely to use the graduate milk round or assessment centres and testing like larger business.(Scholarios et. al 2003)

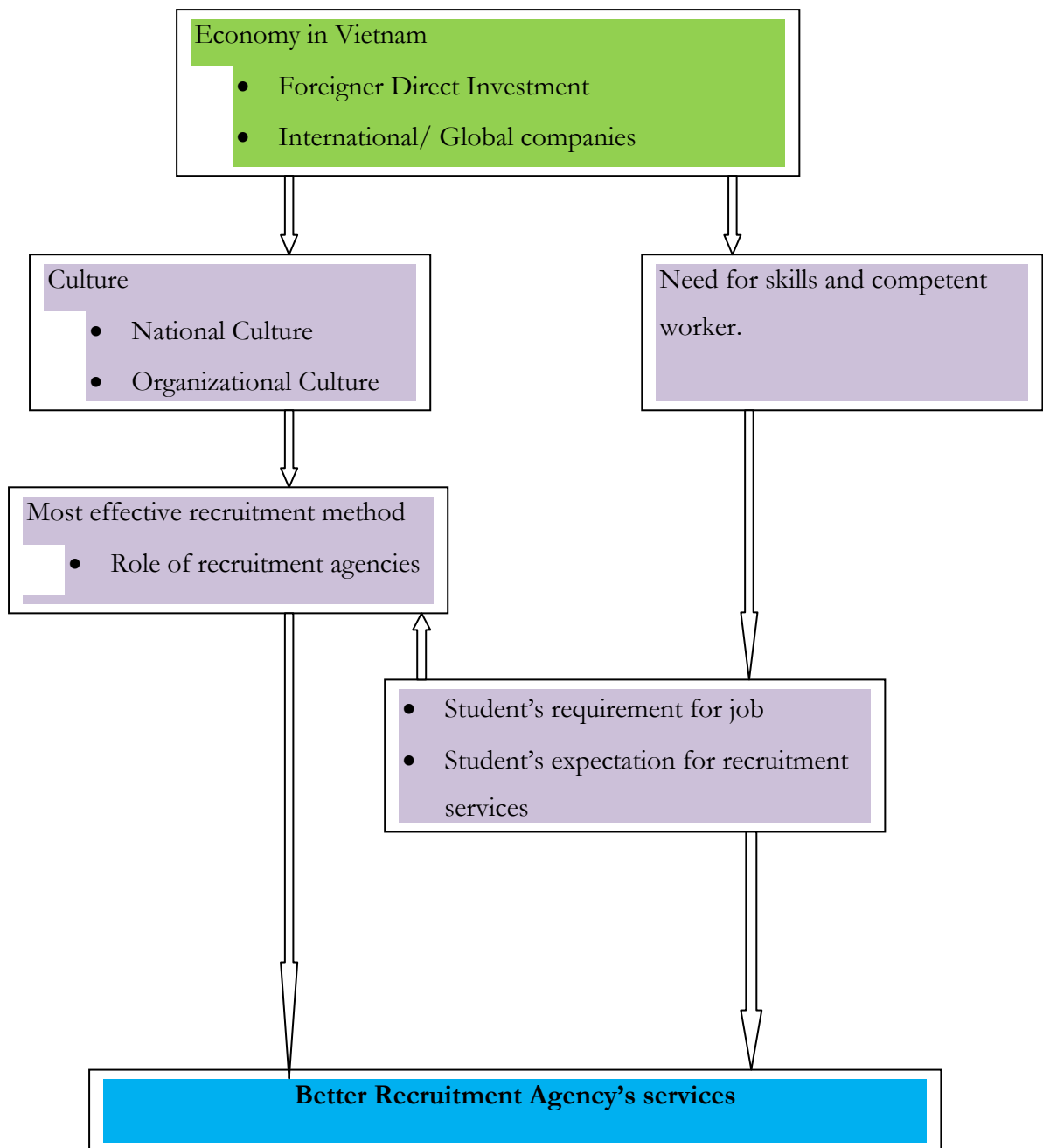
## **2.7 Conceptual framework**

In general, there is a lot of material and theory available concerning recruitment process and recruitment tools, as there is a lot of information about culture and culture's effect on career development. However, those theories are applied to analyze recruitment of labour market in Vietnam where relevant information and researches is not shared openly. Therefore, it is hard to find all the relevant information from the broad range of material.

With the earlier defined objective and problems in mind, I studied different kind of theories on recruitment tools, their advantages and disadvantages applied in different cases and target customers. I also studied culture dimensions and culture effects on career behaviour and development and discussed on finding how important organizational culture as well as the students' expectations after graduating theory is also explored.

Figure 4 shows the combination of the different theories and lays the conceptual framework for the empirical study.





### 3 Empirical Part

Research methods are defined as organised, planned collection of data in order to receive new information to solve a research problem. It considers the essential issues such as what type of data is collected, why, what, when, from where and how it is collected and how the data is analysed. (Ghuri and Gronhaug 2005, 35.) The research problem of this thesis is: *what are Vietnamese overseas students' expectations to recruitment agency in home country.* This chapter describes the research process how the required data for the research is gathered for answering the research question and accomplish the objective of this thesis.

There are two way to conduct a research: a qualitative and quantitative. The main difference between qualitative and qualitative is the procedure. Qualitative research is a mixture of the rational, explorative and intuitive and the emphasis is on understanding while the quantitative research involves analysis of numerical data, the emphasis is on testing and verification. Qualitative research is any kind of study, which emphases on “findings” without statistical methods or any other quantitative means. Qualitative research is subjective and quantitative research objective (Ghuri& Gronhaug 2005, 86.)

Qualitative research method was chosen based on the nature of the research problem of this thesis. Qualitative research refers to non-numeric or unquantifiable data which are products of the research strategies (Saunders, Lewis & Thorhill, 470). Creating value from this raw data requires both deductive and inductive approaches combined with qualitative methods such as collecting related information and exploring the findings of past research. (Saunders et al. 2007, 489)

By using qualitative method helps to get more diversifying answers about thesis topic and covers more different aspects around it, and the researcher will receives deeper and more subjective data. Furthermore, the qualitative research method permits the researchers to examine and probe more deeply respondent's attitudes towards trends and behavior, conveys deeper understanding of the respondents' motivation, values and attitudes (Ghuri& Gronhaug 2005, 110-112.). The research conducted for knowing the students' expectations toward recruitment agencies, relevant data cannot be gathered through questionnaire or other

quantitative method. The phone interviews allow saving time and money, each interview took from 20 to 60 minutes period of time depending on the interviewee's answers.

The sub questions were connected to the theory, themes and research question. There are two sub-questions which are connected to the theories in previous chapters to explore adding the answers to the main research question. It highlights common recruitment process, recruitment tools, agency services and graduated students' career expectations.

The themes of this research were:

1. Employment market and most effective method using for a job
2. Role of recruitment agencies to the market in student point of views
3. Recruitment agencies' current services and opportunities for future development
4. The obstacles of culture differences to career development

The following chapters discusses what data was collected for the research and how it was collected

### **3.1 Data collection**

There are two alternative data sources: secondary data which is available data such as book, journal articles, online data source, etc; primary data which is refer to new data obtained during the research, the key point is that primary date is unique to specific research, and until it is published, nobody can access to that information (Ghauri& Gronhaug 2005, 91, 102.). It is needed to notice that second data source provides the information that had collected for different studies with different objectives and purposes, the researcher should make the list of term and concepts on which information need to collect (Ghauri& Gronhaug 2005, 97). On the other hand, primary data can cost a lot time and money to collect, it is difficult to find target group, get assess and have their corporation to answer researcher's questions and the most important to know is that research has less degree of control in data collection and the quality of information is fully depends on the willingness and ability of respondent (Ghauri& Gronhaug 2005, 105). The data for this thesis was collected from both primary and secondary data.

The primary for this study was collected from two groups, firstly from the five most popular recruitment agencies among 96 recruitment agencies and over four thousands recruitment agencies in Vietnam. Different points of views about the recruitment market can be found and compared because these agencies operate in the recruitment industry, however, only two recruitment agencies are about the big and have international operations, two other agencies are middle-size companies mostly concentrate on the domestic market. It should be noted that the last recruitment agency belongs to global recruitment career consultant group has just 2009 established in Vietnam. Four females and one male participated in the interview. All of them have been working in recruitment industry for several years, the maximum work experience was 10 years and the minimum was 2 years. The following is the background of recruitment agencies.

Table 2. Background of Interviewee in Agencies

Interviewee	Name	Size	Year of establishing
1	Vietnamworks	Big	2002
2	Man Power Human Development	Middle	2004
3	Top Asia	Global	July, 2010
4	HR Vietnam	Big	2002
5	HR Solution	Middle	2007

The primary data is also collected from ten students who are studying in Finland. Eight interviewees studied in international business and others studied information technology and logistics. The interviewee aged from 21 to 27 years, most of them are females and only two males. The interviewees were chosen on the basis of their background. Half of interviewees have been studying in several countries for at least five years, the other half have been studying in Finland as the first foreign country. It was required that the interviewees had a minimum of two years of being abroad.

Table 3. Background and Profile of Interviewees

Interviewee	Age	Time staying abroad (years)	Gender (m/f)	Countries lived	Degree
1	22	6	F	U.S.A and Finland	International Business
2	21	5	M	Australia, Netherland, Finland	International Business
3	23	3	F	Finland	International Business
4	23	6	F	England and Finland	Global Business
5	22	3	F	Finland	Logistics
6	22	2	F	Finland	International Business
7	22	2	F	Finland	International Business
8	23	6	M	England and Finland	Information Technology
9	27	7	F	France, Finland and Sweden	International business and Investment banking
10	22	3	F	Finland	International Business

Qualitative research for this study was done with phone and face-to-face interview. The interview method can be divided into different types: structured interview and unstructured interviewed. Each type of interview outlined has different purposes, structured interview can be used in survey research to gather data, the unstructured interview gives respondent almost full liberty to discuss reaction, minimize bias and to gain more accurate and clear picture of a respondent's position and behavior on a particular or sensitive issues. (Ghauri& Gronhaug 2005, 132) Furthermore, there are four aspects related to the interview: the purpose of the research, the significance of establishing personal contact, the nature of data collection question and the length of the time required and completeness of the process (Saunders et al., 2009, 323)

In this study, unstructured interviews were used because it allows researchers to focus the respondents' talk on a particular topic of interest, and may allow researchers focus on what kind of information he/she wants to explore. When conducting the interview, it is noticed

that the research stays focused otherwise the study will clearly lack a sense of direction and purpose (Saunders et al. 2009, 329). In addition, it is important to ensure the order of the question is logical, and the language is comprehensible for the respondents

The interviews were accomplished in two weeks time. Before scheduling I had called all the recruitment agencies, introduced myself, explained the purpose of the interview for my thesis, research problem of which is about Vietnamese labor recruitment market. This step is very important because the advantage of establishing a personal contact with the respondent is that it gives opportunities for the respondent to receive feedback and assurance about the way in which information will be used. I had received the approval and the schedule of the interview time. The first interview sector is from 1<sup>st</sup> to 7<sup>th</sup> of December, 2010, I interviewed five respondents from recruitment agencies. The second interview sector from 10<sup>th</sup> to 15<sup>th</sup> of December, ten students were interviewed. A couple of time I had to reschedule the interview time, however, there were no other problems.

### 3.2 Validity and reliability

It is important to note that, the more the researcher concentrates on the theoretical part followed by the empirical part, the more successful quality of the research is greatly got. That is why, thorough problem definition and information search was crucial to successfully conduct the research and analyze the results.

In order to convey trusted results, it is relevant to consider the factors that may affect the research. First of all, the value judgment about the research depends on the researcher's own perception and interpretation of the finding, so the role of researcher is very important. In addition, as no research findings are final, the researcher is the one who make decision on the strong evidence to draw certain conclusion. (Ghauri & Gronhaug 2005, 23.) Considering this thesis, I regard the most influencing factor is the researcher's bias. There are two types of bias: interviewer bias and interviewee response bias. According to Saunders et al (2009, 326.) interviewer bias "is where the comments, tone or non verbal behavior of interviewer creates bias on the way that interviewees respond to the question being asked". Moreover, it might be where interviewer imposes his or her own beliefs through the question being asked and also in the way he/she interprets responses. On the other hand, the interviewee bias or " may be caused by perceptions about the interview, as referred to above, or in relation to perceived interview bias."(Saunders et al.2009, 326.)

**Validity** describes the integrity of the result of a study that is how well data collection method measures what it is intended to measure. (Ghauri & Gronhaug 2005, 68.)Validity concerns are challenging to handle. In the qualitative research the following types of validity are often emphasized:

- descriptive
- interpretative
- theoretical
- generalizable

(Ghauri & Gronhaug 2005, 216.)

Descriptive validity refers to the degree to which the actual description holds true. Interpretative validity refers to how good the interpretation, is the express interpretation the correct one. Theoretical validity refers to the adequacy of suggested “theory” on explanation. Generalizable validity measures to what extent the findings from the research can be generalized to other settings. In short, the “validity of the research answer the question of how can I trust you”. (Ghauri & Gronhaug 2005, 218.) Validity measures the trustworthiness of the research result.

On the other hand, **reliability** refers to the stability of the measure (Ghauri & Gronhaug 2005, 81.) or according to Saunders et al. 2009(156.) reliability “refers to the extent to which your data collection techniques or analysis produces will yield consistent findings.” Therefore it is said that the main goal of reliability is to minimize the errors and biases of the research.(Ghauri & Gronhaug 2005, 68.)

There are two types of bias to consider: interviewer bias and interviewee/ respondent bias; those biases related to each other in the way “tone or non-verbal behavior of the interviewer creates bias in the way that interviewees respond to the question being asked” and interviewee bias “may caused by the perception about the interviewer, as referred to above, on in relation to perceived interview bias. (Saunders et al. 2009, 326) The interviewer bias can be found through the question being asked, interviewer will demonstrate bias in the way he or she interprets response. It is the fact that the value information collected may be limited and can affect to the validity and reliability of the study if the interviewer is unable to develop the trust of the interviewees or interviewee feels hard to build up the trust and confidence with the interviewer. (Saunders et al. 2009, 328)

The sample size of this thesis is quite limited; however, there is the detection of clear similarities in the result. Surely, the research would have been more reliable and valid if students who are now working in Vietnam after graduating abroad had been face-to-face interviewed to receive their experiences about the labour market and career development.



## 4 Research Findings

After conducting the interviews the raw data was transcribed and sorted, coded, connected to theory in order to find converging and diverging point to the respondent's answer. I wrote down the interview word by word and combined all interviewees' answers question by question to better detect the similarities and differences. I found that when gathering each interviewee's question under one question, recurring works and opinion were found easily. However, in some answers there were not the straight words based to put to the particular category. I decided to include in the analysis quotes of respondents. I read through the answers many times, highlighted the important idea and expressions. Finally, I gathered the similar and different together

As mentioned in the previous paragraph, there are four interview themes:

1. Employment market and most effective method using for a job
2. Role of recruitment agencies to the market in student point of views
3. Recruitment agencies' current services and opportunities for future development
4. The obstacles of culture differences to career development

This chapter presents the results of the interviews. The results were presented in the order of the interview themes.

#### **4.1 Students' opinion about recruitment market and a suitable method to find information about vacancies Vietnam**

The first seven interview questions described viewpoints of the students about the current recruitment market and how they are going to find information about the vacancies in Vietnam. Most of students interviewed have similar comments about the development of recruitment market. In general, interviewees saw that recruitment market in Vietnam has grown in recent years as the result of economic development which is because of foreigner investment and the establishment of big international companies in Vietnam. However, the recruitment market in Vietnam just begin to develop, four out of ten interviewees thought that the higher demand for a job does not lead to the better recruitment services in this industry.

The importance of some factors such as personal relationships, friends and family contacts was considered as the most effective method to use in order to have a good job in Vietnam. Many mentioned that they would ask a friend or family members about job vacancies before looking at advertisement, visiting company website or going to recruitment agencies. Advertisement is the most useful tool they prefer to use in case their personal relationship cannot help them in finding job. Six out of ten students mentioned advertisement was the first tool that is reliable to use in Vietnam. The information about the vacancy; contact details of employer, job description, etc can be seen at a job advertisement. Job advertisement for local and national /international jobs are usually posted on those trustful e-news papers such as Nhan Dan (Newspaper of the ruling Community Party), Saigon Times Weekly (Business oriented newsmagazine), SGGP (newspaper is an organ of the of Communist Party of Viet Nam in Ho Chi Minh City), Viet Nam Network (Online service featuring official news, business, culture, weather, and more) Vietnam Economy ( Business and financial news and information), Vietnam News (Newspaper from the state news agency), Vietnam News Agency (Official news service).

A recruitment agency can be an option to get information about vacancies because of the services of recruitment agencies to save time and money. Recruitment agencies help to match employers with job seekers who fit their criteria and they have the technology to send out jobseekers' CV to hundred of employers at the touch of a button. However, there are not many recruitment agencies mentioned. Interviewees are knowledgeable only about

Vietnamworks which is the leading job, career and recruiting recruitment agency in Vietnam and they are doing mostly online. Jobseekers can search jobs, post their resume's and get career advice from experts. Two interviewees said that their friends in Vietnam got a job through Vietnamworks; one interview herself got an internship in Vietnam through Vietnamworks.

The other interesting point to know is the importance of social networking and personal networking in recruitment in Vietnam. Most interviewees are quite similar to either personal website such as Facebook, Yahoo, My Space or business website such as Linked. They visit personal website daily but mostly for entertainment purposes. Three out of ten interviewees saw some job advertisements for a normal job such as part time helper, sale person.

It is the fact that online recruitment has been developed widely and become the most effective method in recruitment in many countries. However, even it has advantage such as being quick, reliable; most interviewees regarded that online recruitment in Vietnam is not popular, that it is not yet fully developed. Most companies in Vietnam have its websites but their websites have not utilized well enough. The information provided on their website is background information. If they have a part for personnel department to organize finding staff in the website, the information there is usually poor and not updated. Understanding that factor, most students confirmed that they would contact directly companies and apply for available position or leave their CVs in advance.

The second theme is about the role of recruitment agency in Vietnam and what the expectations of students to their services are in order to get a good job when coming back home. This theme was mapped out by five different questions. When asked about the role of recruitment agencies to labor market, all interviewees experienced that Vietnam belongs to low-income developing countries where unemployment is a luxury that few can afford. Therefore, recruitment agencies play a big part in the economies of nations. It was said that agencies' pool jobs across companies, they can offer workers more steady employment, or for those who desire temporary work. However, the job creation was high in Vietnam, which is the result of the development of export sectors. There is high demand for manufacturing jobs and the general feeling was that recruitment agencies seem to be more for blue- colour workers. However, there are recruitment agencies for white-colour workers which operate in other industries.

When asked about the first thing to pay attention to when choosing a recruitment agency to submit application, “word of mouth is always the best recommendation” almost every respondent refers to personal relationship; they would ask friends or family member first for certain information or experiences about an agency. Three out of ten students have no idea about what kind of recruitment agencies would make them pay attention to. They even do not visit Vietnamworks’ website which seems to be too famous in recruitment market. Other respondents said that they come to recruitment agency if it is reliable and to see whether it offers those jobs that they are looking for. Therefore, it can be said that information about the job title, job advancement, working condition and salary that recruitment agency can provide is the most important thing attracts respondents. Every interview confirmed that they do not trust competencies of recruitment agencies.

When asked about the effect of the way recruitment agencies offer good quality services, two out of ten interviewees see that it would be good if they offer good services but in their opinion there is no connection between good services and the quality of the jobs offerings. Generally, recruitment agencies often offer a good service to customers because they are services companies. They properly want to make customer feel that they are the best. However, respondents felt confused because many recruitment agencies offer services other than traditional recruiting. There are several services that recruitment agencies nowadays offer to job seeker: CVs resume, interview preparation, skills development, job stress- out training, languages courses. Job seeker is charged a fee for these services, but is in no way guaranteed consideration for open positions on the recruitment side of the business.

Depending on job seeker situation, it may be beneficial to seek out such services, but there is a thing to remember is that true candidates for a recruitment position should never have to pay a fee. In addition, it is true of Vietnam there have been many reports indicating that some recruitment agency companies cheated job seekers, they only gave the information about the job after they had been already paid significant recruitment fees. They gave job for job seeker but allow workers to read the contracts until the day before they were scheduled to depart the other countries and sometimes, it is reported that signing contracts in languages that could not be read. Of course, this case mostly happened to blue-colour workers, for white -colour workers group the similar cheats also happed but in a more suitable way. This is it is suggested to work with two or three recruitment firms at a time. The left eight out of ten interviewees have no experience since they have not tried to find a job through recruitment agency yet.

Interviewees were exposed to a number of different expectations to services offered by recruitment agency to student abroad. It is a fact that many felt that they are less understanding about domestic market than local students after a long time staying broad. Five out of ten respondents, who have been staying abroad over five years, felt that they want to have career counseling service from the recruitment agency which tell them more information about the leading companies in certain industries and also the trend of development of the market are necessary to learn. It is said that other services such as interview preparation, resume writing or skills training will make job seekers more marketable. It is needed to mention here that there is no respondent willing to pay a fee for such training and service from recruitment agencies. Some felt that it would be nice if services are offered free. Respondents believed that there is a relationship between recruitment agency and employers. They would pay a fee for training courses offered by recruitment agencies if the certification they get after finish the training is valuable to employers. In the other word, it is like they get the benefit bases on the relationship between recruitment agencies and employers.

One respondent admitted that he was afraid that he would get in the trouble because he is lack of knowledge about labour law of Vietnam. Recruitment agencies would help him ensure his rights and his benefit in employment conflicts. One respondent would love to receive the helping service with the visa and arranging the accommodation for the national/ international job.

## 4.2 Cultures effect on career and career development

Culture differences' effect on the career development was the third theme. To get ideas about how culture difference effect on career development, the interview questions were conducted based on Culture dimensions of Hofstede. Five out of ten interviewees, who have lived in at least two foreign countries experienced that the culture differences effect a lot on their personal life. However, for some reasons, they believed they had to go through those differences. Two interviewees felt that there is no obstacle to get through culture conflicts between their own culture and foreigner culture. One interview said that she had tried a lot to adapt herself to a foreign culture; it was difficult time for her. Therefore, every interviewee felt that working for international companies is better than for a domestic company.

What was interesting to find out was the fact that most of the interviewees believed in the equal treatment between men and woman when selecting employees to a job opportunity. The constitutional and legal framework for gender equality has existed in Vietnam since 1945. The law provides the opportunity for equal participation in all aspects to women. However, in practice they are underrepresented. Most of the top leaders are men. Moreover, under the current laws, women retire at the age of 55 and men at the age of 60; it means women retire five years earlier than men in Vietnam. In addition, it was noticed that Vietnamese women lag behind men in terms of career development after they finish education and get married. Generally, women are often a barrier to their own career by behaving according to gender special Asian women. Women do not always receive equal treatment. Therefore, even the numbers of women and men who have a university degree are equal, but very few women who have a possibility to develop their career go after to higher position. One respondent said that it is true of her case when her mother refused to be leader of department because she does not want to spend too much time working instead of caring for her family.

The next questions were about working in Vietnamese national and organizational cultural environments that were described as hierarchical, collectivistic with low uncertain avoidance were difficult for student from abroad to understand. The first reaction was that there is no meaning of trying to work in such a working environment's i.e. in mostly from domestic companies when they have an opportunity to get a job from international ones. Two

respondents experienced that low uncertain avoidance may be a big problem with old people; young Vietnamese are quite active and dare to ask more questions. About half of the respondents said that they would spend some time changing their style, be more flexible to help their partners understand how low uncertain avoidance will cost them at work. The other half felt that the culture is very strong; it is better to adapt to it than encourage people to change their culture.

Beside low uncertain avoidance, the difficulties that collectivism brings to work are also expected in career development. Vietnamese expect collectively to look after their members to protect them, and provide them with security in return for their loyalty. Most interviewees experienced that collectivism in group working is the big problem. Eight out of ten respondents said that changing working style whether more or less active, is necessary; otherwise the possibility of working without support from colleagues is very high. It was also said that preparation for working with inactive or lazy colleagues but have relationship with people in higher position should be considered. It was interesting to notice that two other respondents confirmed that they did not see the advantage of changing working style according to group and they would report to boss/manager of the unresponsive or un-efficient worker.

However, it is said that the big gap between boss and worker in Vietnam is quite big. The career development of worker depends a lot on his the relationship with his manager or director. All interviewees who studied and worked in groups, schools, environments in which power distance does not exist felt that the admission for this fact is needed. One interview who has been working in Vietnam experienced that sometimes, an organization may not want to appoint people from abroad because they think they cannot control them.

When asked about eventual culture conflict that would affect to future career, most of respondents said that family or relative relationship in organization in Vietnam creates mistrust in the working environment and work division. Two respondents felt that this has something to do with time management and indirect speech/communication which is resulting from the importance of saving face. Some of respondents also felt that working with old workers who are pragmatic and disciplined, and are motivated by loyalty is difficult to them as newcomers, that are more optimistic and more self-motivated. In general, respondents believed that culture conflicts can be managed

### **4.3 Recruitment agencies and its way of working in Vietnam**

The fourth theme was about mapping out the view of recruitment agencies to the recruitment market and their services offered to students. The theme included five questions. First the respondents were asked about the position of their company in recruitment industry. Surprisingly, two out of five respondents who are from the middle- size companies said that it is not easy to confirm whether a recruitment agency is listed in the list of best recruitment agencies in Vietnam recruitment market or not. It is needed to mention here that each recruitment agency focuses on doing recruitment in certain fields; for example, one respondent said that they are expert in telecom, information technology and another respondent said they are mostly doing in insurance and banking sector. The respondent from Vietnamworks, which was mentioned in the previous chapter, is known as the biggest recruitment agency in Vietnam said that the position of a recruitment agency is evaluated by their relationship with top companies in different industries. The rest of the respondents felt that they are on the top ranks of the most professional head-hunters.

When asked about the services for students in general and whether they have special services for students from abroad or not, only one interviewee said her company focus on recruitment for big customer/companies. It helps hold job events in some universities but they do not offer recruitment service for student. On the other hand, most interviewees said that they had services for students in general such as finding part time, internship, jobs for postgraduates e.g. However, when talking in the detail, it is noticed that there has not yet existed special service for students abroad but there are obviously different services for local students and students from abroad. Students from abroad seem to receive better and more flexible services.

Most of the interviewees experienced that education had affected the factors that students consider when selecting a job. It was said that students from abroad are aware of their career development right when choosing the major at university while local students mostly focus on having university diploma than developing a career. Generally, the salary is probably the main factor; however, even the starting salary is important, students from abroad do not let it cloud



their vision; they take into account the other factors such as opportunity for advancement, gaining skills and experience, working environment when searching for a job. Therefore, when asking about the most asked criteria posed by students when selecting an employee, most interviewees experienced that students abroad would love to work for a big company with a big brand name which promises them a professional working environment, experience and may be a good salary.

After having interviewed 5 experts from different recruitment agencies, I got the general understanding about the recruitment market and services for students. Considering the nature of recruitment industry, most interviewees said that they would focus on current services in order to be more competitive, except one respondent, who had found that special services for students from abroad would be a new direction in offering recruitment services.

## **5 Final discussion, Conclusion and Recommendations**

The overall aim of the thesis was to explore the expectations of Vietnamese student abroad toward recruitment agencies and to recommend right services for recruitment agencies in Vietnam. By focusing on diverse literature, statistics and conducting interview with ten students and five recruitment agencies, I was able to answer the question: What are the student's expectations as services offer from recruitment agencies? In this chapter, I will start discussing the similarities and differences of the findings and, after that the conclusions and the recommendations are presented.

There were lots of similarities found from the results. The knowledge about the recruitment market and the usage of recruitment tools were described in very similar ways. The majority felt that the recruitment market in Vietnam is quite promising and it will develop strongly in the near future. Vietnamworks, which is known as the biggest recruitment website in the local market and as the job notice board is the place to find useful information about job vacancies. Job advertisements which are posted on the prestigious newspapers and job boards are the first recruitment methods to use because they are reliable, trustful and informative. Recruitment agency was also mentioned as the second most effective channel to find a job; however, respondents seem not to know many recruitment agencies except Vietnamworks. Social networking and business network sites have not been considered as recruitment tools to use in recruitment industry yet. The only difference among the respondents was in the ways in which they thought about online recruitment: some felt that online recruitment is now popular and it helps companies a lot in finding and recruiting employee. Some felt that companies should focus on utilizing their website, posting updated and more concrete information about job vacancies. Nevertheless, it is worthwhile to notice that "words of mouth" is the best recommendation, personal relationship and personal networking is the first source to find information about job vacancies. From the current market development and industry characteristics point of view, recruitment agency and online recruitment method would be more effective than advertisement method.

Everybody also agreed on the fact that recruitment agencies play an important role in the labour market. However, due to the characteristics of national economy with the emphasize of export manufacturing, the recruitment agencies are usually known to colour workers doing job or for export labour. In general, there are two types of recruitment agencies, once for blue colour workers and one for white colour workers. The general atmosphere was that there are just a few recruitment agencies for white-colour workers but respondents believed those recruitment agencies would work effectively to find them a suitable job according to their knowledge and education. It is said that a job title add on the job board of a recruitment agency is the first thing that respondents pay attention to. The competencies of a recruitment agency cannot be seen easily; respondents only trust their competencies if they receive recommendations from a friend or a family member. Respondents also confirmed that they do not see the connection between the way recruitment agency offer services and the quality of job offering. Naturally, whether the quality of job offering is good or bad, recruitment agencies always give their customer a good impression at first.

There are expectations from students abroad as to the services of recruitment agencies. Half of respondents who have lived abroad over five years said that consultant career service is important to them, the knowledge about current market development specific in different industries would help a lot to define the best career development. It was agreed on that other services such as interview preparation, resume writing or skills training will make job seekers more marketable.

The legal aspect of recruitment was mentioned. It was recommended that recruitment agencies could provide law services which help job seekers avoid legal traps by using labour-law experts to draw up legally compliant temporary employment contracts between employers and workers. Visa and accommodation would be added to the advantage for recruitment agencies.

It was disagreed among respondents on the fee that would be charged from recruitment agencies: some felt that the fee paid for recruitment agencies ensure job seekers to get a job, some felt that the paying a fee is not like buying a insurance; job seekers are not sure to get money back after the failure of recruitment agencies.

As to national culture, gender-linked factors do not affect career development in work placement. It was agreed that men and woman are treated equally when selecting an employee to a job. The obstacle in woman's career development is because women are often a barrier to

their own career by behaving according to gender. It was also agreed that low uncertain avoidance and collectivism are two characters of the culture and they would create misunderstand, unrespected situations, mistrust in group work between the old and the newcomer especially the one who has lived and was trained in an individualistic and high uncertain avoidance culture. In addition, no agreement was reached, whether or not the big gap between boss and worker affect to career development. The majority had noticed that workers always try to keep good relationship with their boss; giving a present on special occasion seems to be mandatory. Minority felt that market is now opening for qualified workers, relationship with boss does not affect much as it used to. There were some culture conflicts that were discussed in the terms of career development such as personal relationship, on time concept, indirect communication, and working styles of different age groups.

According to the research majority, (4/5) felt that students from abroad pay attention to those factors such as opportunity for advancement, gaining skills and experience, working environment more than salary while local students mostly want to have high salary when searching for a job. Remarkable was that recruitment agencies have job consultation service for students in general. Special services for students from abroad have not developed yet. The other remarkable was that one respondent felt that in the future, developing services for students from abroad would make her agency more competitive. In short, the respondents from recruitment agencies have described exactly the most important factors that students from abroad consider when selecting a job in Vietnam. It means that they are able to provide suitable services for this special group and be more marketable in local market.

Theories aided considering what items to take into account and how to outline the study. Theoretical framework included various aspects of many authors such as Dowling, Gómez-Mejía, Dessler, Beardwell, Hofstede and it was decided to include recruitment process, recruitment method, culture dimension, organization culture and student expectations for future job in the theoretical framework

The main research problem was to explore the students' expectations to service offered by recruitment agencies in Vietnam. The research problem was divided into two sub questions that aided in answering the main question. The sub-questions were divided into four different themes covering the Employment market and most effective methods used to find a job, role of recruitment agencies in the market recruitment agencies' current services opportunities for future job, and the obstacles of culture differences to career development.

In the empirical part a qualitative method was applied based on the nature of the research problems and purposes. Considering the research objective and research problems, data collection and analysis were based on the theory and models. Fifteen interviews were conducted among students studying abroad and recruitment agencies working in local market.

Several conclusions were made from the research. First, students from abroad would love to come back home to work. However, it is difficult for them to find a job if they do not physically live in the country. There are no services from recruitment agencies that would help students on the market and the trends of career opportunities so that they have a view of what they should or should not do.

The key findings showed that the most useful source to find information about job vacancies is Vietnamworks website or job boards where thousands of job advertisements are updated every day. Job advertisement is considered as the most effective way to find a job. It helps job seeker save time and costs in searching for job; it also allows applying to more companies and positions themselves. Online recruitment may be a good method of finding job vacancies in Vietnam in the near future because internet has developed worldwide for over ten years. However, it is obvious that there are many organizations/companies which do not develop corporate websites and commercial job boards. Moreover, getting information through recruitment agencies is the second most effective method for finding a job in Vietnam, because it is a fact that recruitment agencies have their relationships with many employers. Applying through recruitment agencies means getting a trust passport or recommendation from them to their other customer. Furthermore, it is true that recruitment agencies have played an important role in labour market. Information about the job vacancies that recruitment agencies provide on the job board is the first thing students pay attention to when selecting one among thousands of them. The competencies of recruitment agencies have to be tested by a job seeker, especially students from abroad; it is difficult to analyze their competencies

Nevertheless, students who have studied abroad have expectations towards service of recruitment agencies. The career consultation services are very important; it is the main factor, whether or not a student would like to submit his/her job application. Career consultation services to special customers, who stay abroad a long time, require the consultant specific knowledge not only about the local market but also different markets. Even the research

findings show that students do not see the connection between the way recruitment agencies offer services and the quality of job offering, it highly recommended recruitment agencies would offer friendly, professional working style to their customers. Due to current development of political system, legal aspect of recruitment and labour law should be defined clearly. Almost nobody understands their obligation and rights at work; that's why there is a need for law services which helps job seeker avoid legal traps when signing a contract with employer. The other services such as interview preparation, resume writing or skills training are also mentioned.

According to the interviewees, there are services for students in general; students can leave their job application and waiting for the responses from employers. There are no special services for students from abroad yet; however, recruitment agencies mostly treat them better than local students. The interviews also indicates that salary is not the first thing students pay attention to when choosing a job, they consider more about working environment and job advancement, etc.

Evidence presented in this paper suggests the organizational culture does not seem affect too much career development of respondents. It was said that organizational culture mostly relates to personal things. A job seeker can avoid or be well prepared for organizational conflicts by asking experiences or discussing with a career consultant about a suitable employer. On the other hand, the national culture asks students from abroad to have effort of to be adapted a lot. The inequality treatment to a job opportunity according to gender is not mentioned. Men and women are treated equally in every aspect. Vietnamese who are trained in a high uncertainly avoidance and individualistic culture will face difficulties at work and career development in home country. The big gap between worker and boss is a barrier to career development that should be concerned.

As I mentioned in the beginning of my thesis, I particularly want to study employment industry and more specifically focus on recruitment agencies in Vietnam. When considering the research question set and the result of the thesis, it can be said that there are different expectations from students from abroad to the service of recruitment agencies and towards the affect of culture differences and the recruitments used to find a job.

It is suggested that further research could be conducted with specific focus on recruitment, and more importantly, the possible hindering obstacles for career development in this

industry. Besides, in addition to a qualitative method such as the longer face to face interview, a quantitative method such as an email, survey could be applied

This research has not only brought up many new questions to explore but also answered the research questions. I truly hope that my efforts for this research are the beginning to establish a recruitment agency that offer specific services or improve current services of recruitment agency for Vietnam student from broad get a satisfied job at home. The whole process has demanded a great deal of motivation and has built up persistence to finish. It was interesting and useful to learn deeply about the recruitment process and role of culture in career development and applying to explore Vietnam recruitment market. The process has been tiring and stressing but still a true learning experience.

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## Appendices 1 Interview Question

### Part 1: Background questions

Name

Gender

Age

Education

Number years of studying/staying abroad

### Part 2: Thematic questions

A.

1. How would you describe the current recruitment market in Vietnam?
2. Where can you find useful information about vacancies?
3. What type of recruitment methods would you use to find a job? (advertisement, agency, online recruitment....)
4. How are you going to look for a job in Vietnam?
5. What are the key issues to consider when choosing those methods?
6. How often do you visit social networking and business network sites? In your opinion, what role do those sites play in recruitment?
7. What are the advantages and disadvantages of using online recruitment in Vietnam?

B.

8. How do you see the role of recruitment agencies in the Vietnam labor market?

9. What is the first thing you pay attention to when choosing a recruitment agency to submit a job application?
  10. Do you trust their competencies? Argue!
  11. Do you think their way of offering services affect the quality of job offerings? Argue!
  12. What kinds of services should the agencies offer to students from abroad?
- C.
13. What is the position of your company among recruitment agencies?
  14. What are your services for students in general? Students from abroad?
  15. What are the most important factors that students consider when selecting a job in Vietnam?
  16. What are the most asked criteria posed by students when selecting an employee?
  17. What makes your company competitive?
- D.
18. Can you give me your views of how culture may influence when selecting a job
  19. Hofstede's dimensions apply to describe the culture differences between Vietnam and European countries:
    - a. Do you believe in equal treatment between men and women when selecting employee to a job opportunity?
    - b. How difficult is it for a student from abroad, who was trained to work individually and in groups effectively to start working in Vietnam?
    - c. Do you think the big gap between leader and follower/ boss and worker is counted as a big problem for developing career for students from abroad in Vietnam?
    - d. What are the difficulties that you could have regarding to a low uncertain avoidance culture like that in Vietnam, after studying in a high uncertain avoidance culture?
  20. What kind of culture conflicts would you expect in your career?