

Human Resources - Ready to bounce back

Navigos Search Vietnam – Jun 2020



Effects of covid-19 on employment in Vietnam

The background image shows four people in a meeting. A semi-transparent white box contains the title. The image is overlaid with various graphics: a world map in the top left, a yellow vertical bar on the left, a circular graphic with a line graph on the right, and several location pin and person icons at the bottom. The text '26%' appears in a circle in the top left, and '20%' appears in a circle on the left side of the title box.

A recent assessment from Viet Nam's Chamber of Commerce and Industry (VCCI), run in 46 provinces and cities for over 700 enterprises and business associations, found that more than **76%** of the surveyed enterprises had **reduced employee working hours** through a range of options, from flexible working hours to, ultimately, layoffs.

-- Cited in COVID-19 and the labour market in Viet Nam report, ILO
Vietnam

The potential impacts on consumption-oriented clusters will most likely be different across industries and territories

- 1) De-growth means the need to reduce global consumption and production.
- 2) Data taken as of 16th March 2020 and comparison period is for a few days before 18th March vis-a-vi 2019

Source: PwC 2020

Resilient

Growth or marginal de-growth *in H1 '20*



Pharma



FMCG
(Staples)



E-Commerce
(essentials)



OTT
Entertainment



Online
Education



Remote Working
Tech. Infrastructure

Dampener

10% –30% de-growth *in H1 '202*



Cab
Aggregators



Financial Services
(banks, insurance)



FMCG
(Premium, New, Gourmet)

Deep descent

> 30% de-growth *in H1 '20*



Airlines



Entertainment
(Multiplexes etc.)



Hotels



Consumer
Durables &
Electronics



Dining
Restaurants



Gems &
Jewelry



Automobiles

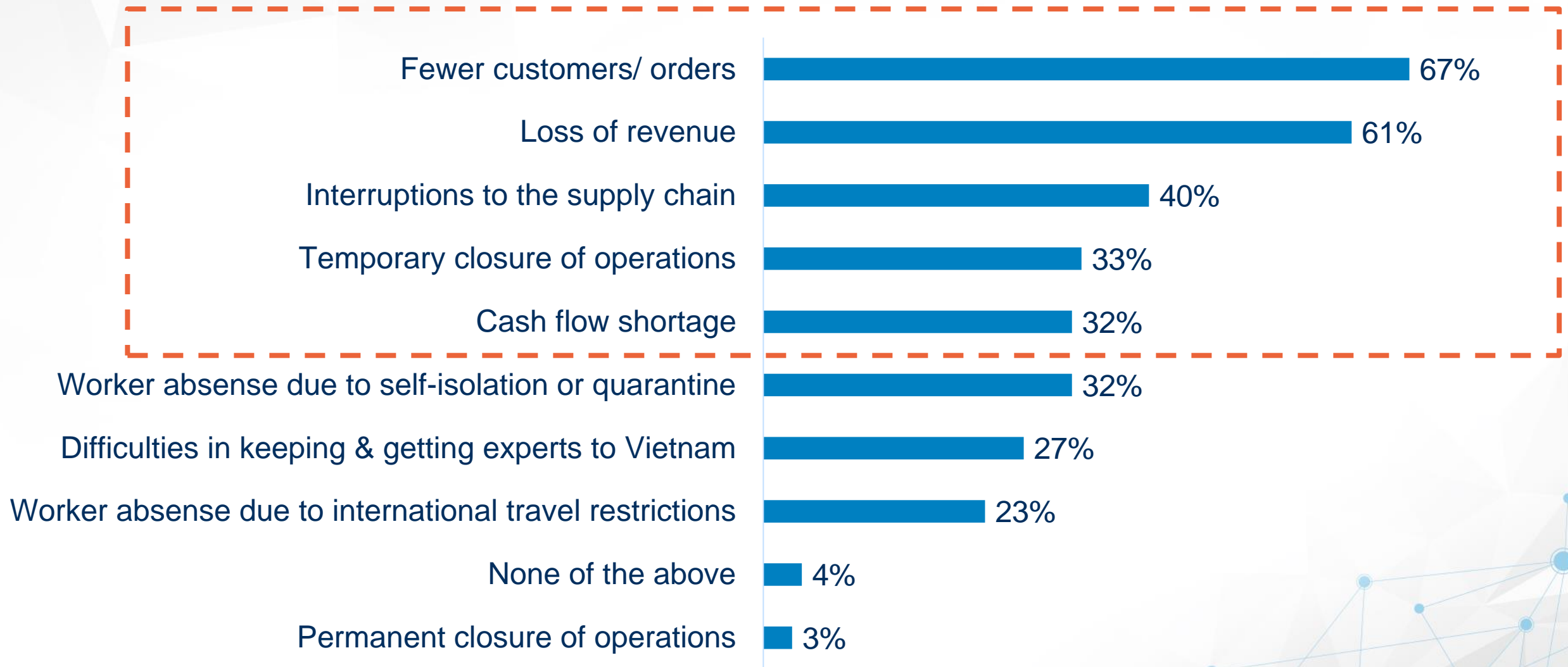


Auto-
Components



Retail

Top concerns of businesses during COVID-19



Around 60% enterprises can maintain their business during tough times



Manufacturing industry has the **highest demand** for mid and senior-level personnel



Vietnam continues to be a destination for **Industrial Real Estate investors**



Recruitment demand for the **Energy sector** is expected to grow rapidly in 2020



Recruitment in **Hospitality & Education** are forecasted to recover from Q3/2020



Recruitment demand will continue growing in **E-commerce**

Employment by sector and level of risk

Economic sectors (Low - Medium risk)	Total employment in 2020, Q1 (000s)
Agriculture/ Forestry/ Fishing	18.938
Education	2.019
Public administration and defence; Compulsory social security	1.517
Human health and Social work activities	626
Financial & Insurance activities	507
Utilities	360
Mining & Quarrying	195
Construction	4.546
Real estate; Business and administrative activities	996

Economic sectors (Medium - High risk)	Total employment in 2020, Q1 (000s)
Manufacturing	10.941
Wholesales and Retail trade; repair of motor vehicles and motorcycles	7.525
Transport, Storage and Communication	2.330
Arts, Entertainment, Recreation and Other services	1.289
Accommodations and Food service activities	2.773

Teachers and non-teaching staff in public school's work on government-funded contracts

Source: ILO Vietnam

A person is sitting and holding a smartphone in their right hand and a tablet in their left hand. The background is a warm, out-of-focus indoor setting. Floating around the person's hands are several white, semi-transparent digital icons: an airplane, a location pin, a globe, an envelope, a cloud, a lightbulb, a shopping cart, and a group of people. These icons are connected by thin white lines, suggesting a network or data flow. A white rectangular box with a yellow vertical bar on its left side is positioned over the person's hands, containing the text 'Talent Market'.

Talent Market

From the result of “Career Support” campaign

Top 3 industries
which received
most registration



Manufacturing

26%



**Tourism/ Hotel/
Restaurant**

10%



**Financial Services/
Insurance**

6%

**Proportion of
candidates'
profiles by job level**

33%

from Mid-
Management Level
& above

57%

from Supervisor/
Experienced Staff

10%

from Entry Level

**Proportion of candidates' profiles
by years of experience**

38%

More than 8
years of
experience

27%

1-3 years of
experience

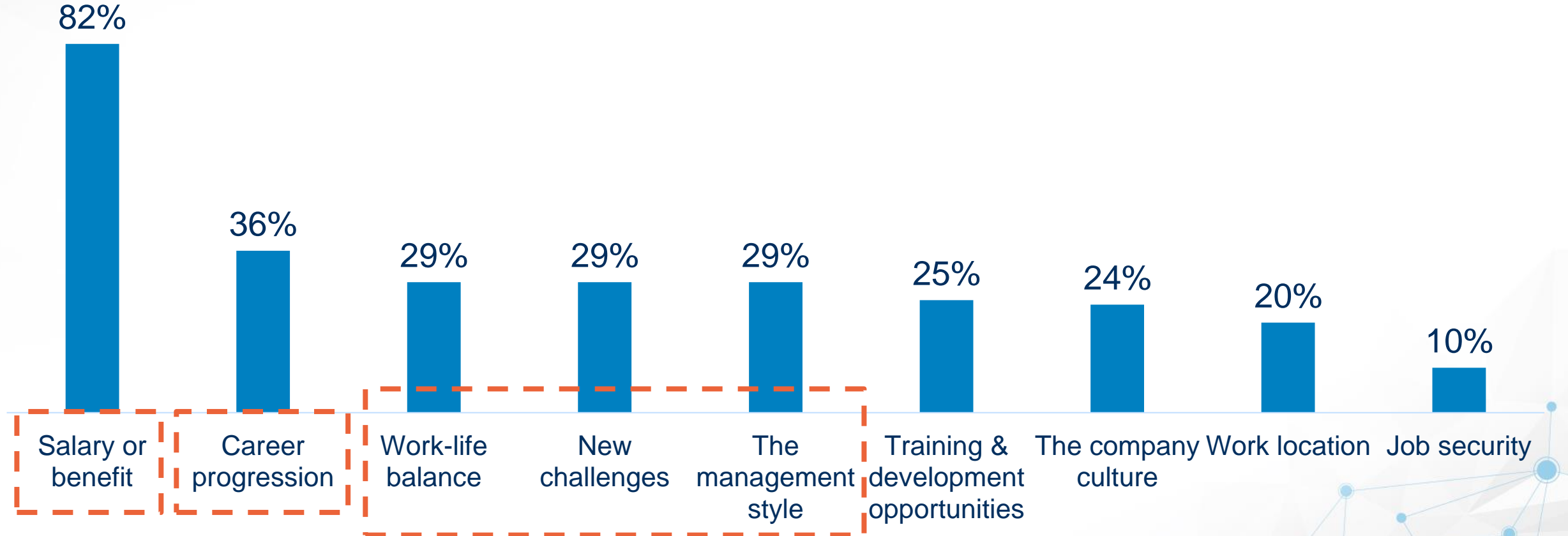
19%

3-5 years of
experience

17%

5-8 years of
experience

Top 3 factors which make candidate consider new opportunity?



Re-hired with lower salary?

From a survey by VietnamWorks in May 2020

52% respondents are not ready to accept

Among **48%** respondents who are willing to return with lower salary

10% accept 50%
lower salary

~70% accept lower
salary for 1 - 3
months

5% accept lower
salary for 6 months

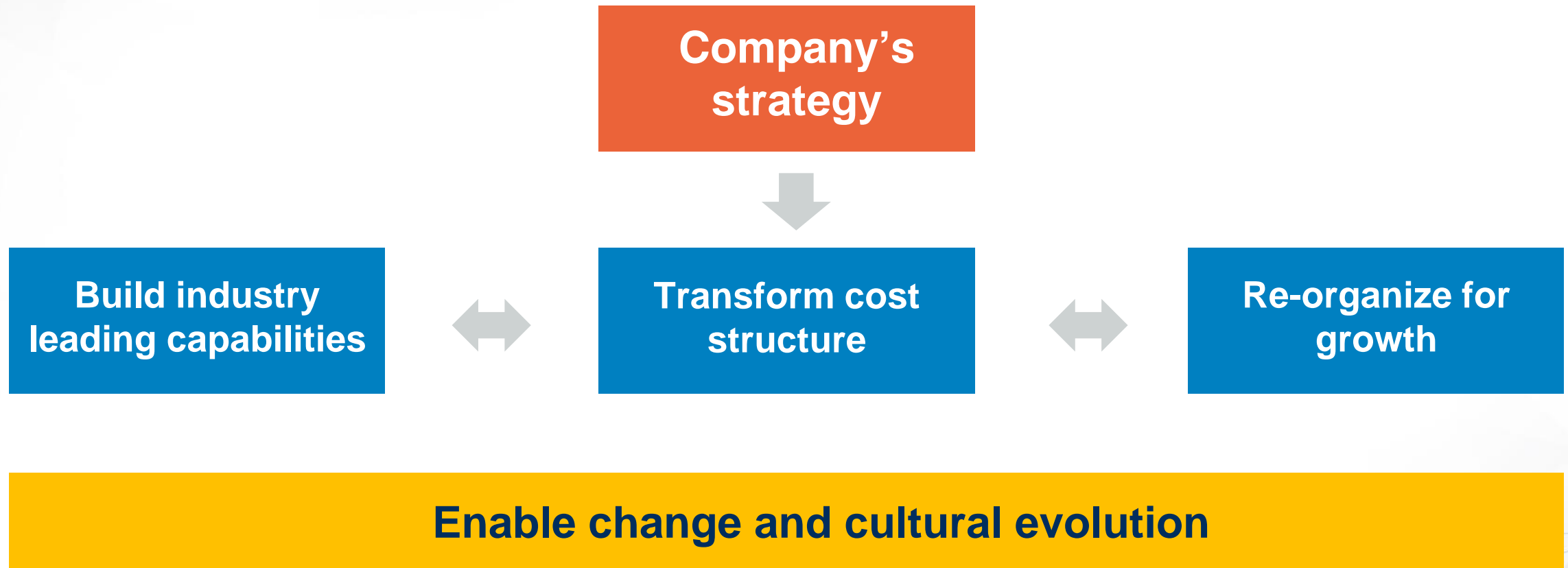


Moving forward

There may be enterprises which cannot survive because of low productivity and low competitiveness, regardless of COVID-19 crisis. **But there are also enterprises which are healthy and strong** under normal circumstance, and which can survive long if they can be supported at the height of COVID-19 crisis, which blocks cash flow, raw material and sudden fall of demands and order.

-- ILO Vietnam

All business components to be revised



Building a future-ready organization

Industry-leading capabilities

- Existing capabilities vs. future industrial trends
- Transferrable skills
- L&D strategy

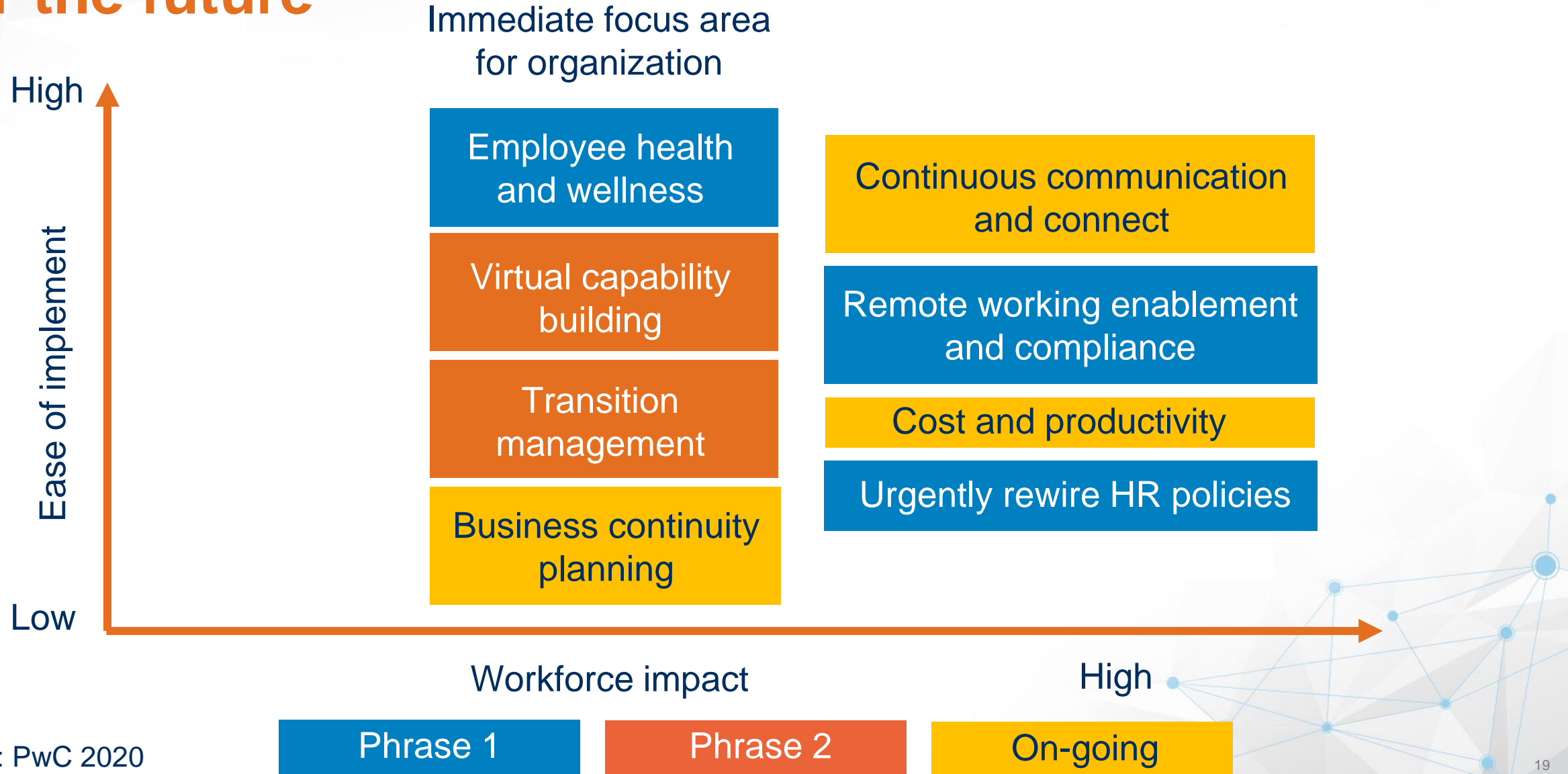
Re-organize for growth

- New job scopes
- New roles
- Recruitment strategy

Quotients to define a future-ready candidate



The roadmap: key workforce focus areas to consider for the future





“

What we were least prepared for,
has become our new reality and
our “**new normal**”...

”



NGUYEN PHUONG MAI
Managing Director, Navigos Search

- Over 25 years of experience in strategic leadership, business development, business and HR consulting, brand building, HR management and training.
- Known to the market as Managing Director of Navigos Search, ex-General Director of eSilicon Vietnam, ex-BD Director of Deloitte Vietnam, ex-Country Head of ACCA Vietnam
- Currently leading a team of over 170 employees in executive search, RPO and HR advisory services. Throughout the career, has successfully delivered hundreds of C-level and management level placements.
- Being a VEMBA Alumnus at University of Hawai'i is an advantage to expand the network to support C-level positions in Vietnam and APAC region.

“ **SUCCESS IS ABOUT HELPING OTHERS GROW** ”



Mr. Huynh Buu Quang
Standing Vice Chairman, MSB

- Mr Huynh Buu Quang has been Standing Vice Chairman of MSB since February 2020. Before becoming Standing Vice Chairman, Mr Quang had held the position of MSB CEO for over 4 years since October 2015.
- Mr Quang had been working with HSBC Group for almost 20 years before joining MSB. During this period, he had held various local & regional senior management positions.
- Mr Huynh Buu Quang holds a Master of Business Administration degree from the Shidler College of Business, University of Hawaii and a Bachelor degree on Economics from University of Economics, HCMC.



Ms. VAN THI ANH THU


Executive Vice President - Human Resources and Corporate Affairs,
PepsiCo Vietnam Beverage

- Ms. Thu has over 20 years of experience building up and enhancing HR system at world top MNCs in various industries: Unilever, Shell, HSBC, PepsiCo, and most recently Suntory PepsiCo.
- Having worked for Suntory PepsiCo Vietnam Beverage (SPVB) for 13 years, she is now Executive Vice President - Human Resources and Corporate Affairs. She successfully led the team to provide best HR services to business, continuously improved working environment and increased employee engagement.
- As an inspired and solid HR Leader, Thu has been delivering numerous topics on HR strategies, Talent development, How to build talent pipeline,...
- Ms. Thu obtained the Professional Facilitator certificates from Development Dimension International (DDI) on Change Management, Company Culture, Development, Talent Management.

THANK YOU!

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