

CORPORATE CULTURE AND HUMAN RESOURCE MANAGEMENT PRACTICES: A COMPARATIVE STUDY BETWEEN VIETNAMESE, JAPANESE AND SOUTH KOREAN COMPANIES

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Abstract: Corporate culture of multinational companies poses different challenges for both managers and scholars in the understanding of the intersection of social culture and organizational culture, and studying the relationship between cultural differences and human resource management. This paper presented the results of comparative analysis of the situation of human resource management in Asian enterprises in Vietnam while investigating the cultural differences between these enterprises from the perspective of employees. The results of the study pointed out the similarities and differences in human resource management practices between Vietnamese, Japanese and South Korean companies that is the result of different cultural characteristics. Analysis results suggested that employees and managers need to pay attention to corporate culture in order to build a highly productive working environment and strengthening employee cohesion with the organization.

Keyword: corporate culture, organizational culture, human resource management; cultural difference, Asian companies, multinational companies.

1. Introduction

Globalization really opens up great opportunities for multinational corporations with the workforce from many different cultures, but also brings greater challenges to human resource management (HRM). In recent years, Vietnam has become more and more a reliable choice for many investors from all over the world. Foreign direct investment become an important driving force to enhance the economic position of Vietnam through the exploitation of technology from countries with advanced science and learning experience in management, market expansion,...

By creating jobs for local workers and making important contributions to the country's economic growth of Vietnam, manufacturing enterprises are playing a key role in the economy of the country. In 2020, the manufacturing industries have played a key role in driving the economic growth with an increase of 5.82% (GSO, 2021). Moreover, manufacturing enterprises have the ability to heavily involve in global production networks and value chains, to create high added value, and to have high spillover effects on other economic sectors. After 30 years of innovation and opening to the world, foreign direct investment (FDI) has always played an important role in the socio-economic development of Vietnam. Specifically, South Korea and Japan are the two largest investors in Vietnam. South Korea is currently the largest foreign investor in both the number of projects and total investment capital out of 112 countries and territories investing in Vietnam. According to the General Statistics Office, accumulated to December 2019, South Korea has poured 68.1 billion USD into 8504 projects. South Korean businesses are considered as serious, highly effective investors with many contributions to Vietnam. Meanwhile, although only ranked second in total investment capital as well as number of projects with 4402 projects and 59.4 billion USD of total investment capital, Japanese investors still have great significance for with the economic efficiency of the FDI sector in particular and the socio-economic development of Vietnam in general. Investment capital flows from Japan play a leading role, increase the competitiveness between FDI flows and enhance the position of Vietnamese enterprises in the process of promoting the development of supporting industries. Japanese enterprises investing and doing business in Vietnam are considered one of the main capital

flows, models for the cooperation relationship between Vietnamese enterprises and FDI enterprises. This is reflected in the investment projects and fields in which Japanese enterprises are present in fields such as manufacturing industry, petrochemical refining, technology, building materials industry.

This analysis has shown the extremely important role of manufacturing enterprises, and particularly of Japanese and South Korean enterprises in the economic development of the country. However, the problem posed to foreign businesses in Vietnam is managing corporate culture - the result of the integration of national culture and organizational culture that exists in each enterprise, as well as being aware of the impact of corporate culture on employees and other managerial activities.

On the other hand, in the 21st century, the importance of the human resource is increasingly recognized in success in both global and local market. Industrial Revolution 4.0 poses a great challenge for manufacturing enterprises in how to maximize their human resources advantages in parallel with the development of modern technology. In recent studies, scholars increasingly mentioned the advantages of human resource development, focusing on optimizing the use of available human resources, one of the "internal strength" of the country (Pereira et al., 2020; Amladi, 2017; Truong et al., 2010). However, there are only a few specific studies focusing on HRM practices in enterprises with workforce from many different cultures, particularly foreign direct investment enterprises in Vietnam.

With the aim of contributing insights into corporate culture of foreign enterprises in Vietnam and the way in which HRM practices are implemented in enterprises in the context of cultural difference, this study aims to answer two questions:

- (1) What are the characteristics of corporate culture of Japanese and South Korean enterprises in Vietnam?
- (2) What are the differences and similarities in human resource management practices in Japanese and South Korean enterprises in Vietnam?

First of all, the authors analyze different aspects of corporate culture in South Korean and Japanese enterprises based on Hofstede's theory of cultural dimension. Next, the paper presents an overview of researches related to HRM and analyzes the results of surveying HRM practices in large South Korean and Japanese enterprises in Vietnam.

2. Literature review of corporate culture and human resource management in the context of cultural differences

2.1. Corporate culture of Japanese, South Korean and Vietnam enterprises

Corporate culture is the collection of values, expectations, and practices that people share in a company. Corporate cultures guides the actions of all members and regulate interpersonal relationships in the enterprise. This is shaped by individual upbringing, social and cultural context (Agarwal, 2018). Following a bottom-up approach, the culture of multinational enterprises, with members originating from many different countries, can be analyzed based on the intersection of national cultures. Each individual is nurtured in the own culture of his or her country, from which they they act and behave in accordance with their own culture. Thereby, it is essential to use Hofstede model of national culture to to predict and analyze corporate culture of organizations with cultural differences.

Hofstede et al. (2010) defines culture as the collective mental programming of the human mind that distinguishes one group of people from another. Accordingly, the national culture is often described through 6 basic characteristics: (1) Power distance; (2) Individualism and collectivism; (3) Masculine and feminine; (4) Uncertainty avoidance; (5) Long-term orientation and short-term orientation; (6) Indulgence and restraint.

Based on comprehensive studies of cultural effects on different workplace values and analysis of databases from more than 70 countries and regions around the world, Hofstede Insights (2020) has summarized their own assessments of these countries by scoring 6 cultural dimensions on a scale of 0 to 100 for each dimension.

- **Power distance:** The Power distance refers to the extent to which the members of the lowest power accept and expect that power is distributed fairly. Among the three countries, Vietnam has the highest

score (70) and Japan has the lowest score (54). Accordingly, in Japan, equality is seen as a common goal of the whole company, employees can frankly express their opinions to their superiors. Turning an employee from a very low position into a senior leadership is considered normal. But in Vietnamese enterprises, there is always a big gap between employees and superiors and a clear division of class.

- **Individualism and collectivism:** Individualism and collectivism express the degree of interdependence among members of the enterprise. The scores of this dimension of Vietnam and South Korea are similar and very low (20 and 18 respectively) shows that each individual often pursues responsibility with the enterprise and is forced to integrate with the collective. Meanwhile, Japan's higher scores (46) show the tendency to be less attached to family, relatives, residential areas,... This is the reason why Japanese workers spend more time for working than for their family.
- **Masculine and feminine:** The masculine aspect represents a society with strong competition, appreciation of achievement, assertiveness, and material rewards. Meanwhile, the feminine aspect refers to cooperation, humility and more concern about quality of life. Japan has a relatively high score for this dimension (95), showing a fairly clear gender discrimination. A Japanese team of staff is usually led by a male leader and there is a clear competition between individuals. Meanwhile in Vietnam and Korea, the scores are only average, respectively 40 and 39. Accordingly, individuals from these countries accept equal rights between men and women, and the division of jobs in enterprises based on the suitability of each individual's abilities, not their gender. The team members are also easier to cooperate with each other.
- **Uncertainty avoidance:** This dimension denotes the degree to which members of a culture feel threatened by uncertain situations, thereby forming beliefs and evasive thoughts of uncertainty avoidance. Japan and South Korea have high scores in this dimension (92 and 85 respectively) because they are always worried about the unpredictable risks and uncertainties in life such as natural disasters, epidemics and they are careful and tight. Japanese employees also do not accept new things easily, breaking the rules and provision of the enterprise. In contrast, Vietnamese culture, with 30 points, pays little attention to risks and unforeseen things. Vietnamese workers are always ready to change and experiment of new things. In a multinational corporate, the combination of Vietnamese and Japanese employees can be the perfect complement and support for each other to realize creative ideas together, and at the same time providing reasonable risk prevention plans.
- **Long-term and short-term orientation:** This dimension describes how a community maintains links with the past while addressing the challenges of the present and the future. South Korea and Japan have relatively high scores, at 100 and 88, respectively. This shows that South Korean and Japanese firms tend to take long-term consideration when planning and making decisions. Meanwhile, this score of Vietnam is only average (57) shows that Vietnamese enterprises lack long-term vision and pay much attention to short-term results.
- **Indulgence and restraint:** Indulgence emphasizes a culture of enjoyment in which people make little effort to control their desires. In contrast, a culture characterized by restraint prevents and adjusts the needs of each individual through quite strict social standards. In this dimension, all three countries have similar scores (Vietnam - 35; Japan - 42 and South Korea - 29), showing that the cultures of these three Asian countries all promote the spirit of doing work, and limit individual impulses.

2.2. Human resource management practices

Human resource management is often considered as a system of practices that provides employees with the skills, information and motivation to participate in decision-making (Aswathappa, 2013). The workforce can become a sustainable source of competitive advantage when companies consider HRM as an important part of their business strategy (Rafaela et al., 2012). Many scholars emphasized that HRM practices need to be adapted to the context and cultural characteristics of each enterprise. Although numerous theoretical and empirical studies have been performed to analyze the effects of environmental factors inside and outside the organization on management, studies on the effects of corporate culture to HRM are still limited in terms of quantity and have not analyzed specifically the cultural context of Asian businesses in Vietnam.

HRM practices do not refer to a set of individual managerial activities, but focus on the interconnection between several practices for employee performance improvement, thereby changing the results of the organization (Sun et al., 2007). Three indispensable practices in HRM are recruitment, training and role of employees. In particular, the recruitment and training is not only about selecting employees with expertise knowledge corresponding to the job position but also to help employees have the appropriate skills and working attitudes (Kaynak, 2003). Managers need to create a favorable environment to encourage employees to promote their role in the organization through contributing ideas and initiatives to improve operations (Forza and Salvador, 2001). Besides, organizations are increasingly concerned with the flexibility of their workforce through rotating staff between different positions, allowing them to master in a variety of job positions (Sandanyake et al., 2008).

In addition, to effectively exploit human resources, human resource managers also need to concentrate to the relationship between employees and other members of the organization such as associates, members of the same group, superiors and subordinates. Accordingly, the matter of centralizing decision-making authority in the hands of a small number of managers, the interaction between employees and superiors, the communication between members and the way to solve problems in small groups... were frequently mentioned in the literature (Zeng et al. 2017; Singh and Lalropuii, 2014). In the context of talent management, HRM practices should also focus on promoting employee engagement with the organization, making them feel part of the organization and ready to work more for the company's goals (Zhong et al., 2015; Lockwood, 2006).

Based on a review of theoretical and empirical studies, this paper examined nine HRM practices including: authority centralization, employee engagement, role of employees, recruitment, shop floor contact, problem solving, interaction with supervisors, training and multifunction employees. Detailed descriptions of these practices are shown in Table 1.

Table 1 Human resource management practices

| PRACTICES | DESCRIPTIONS | SOURCES |
|---------------------------------|--|---|
| Authority centralization | The right to make decisions relating to most issues is vested in the managers and supervisors. Employees need to get approval from their superiors before performing the jobs. | Zeng et al. (2017) |
| Employee engagement | Employees are loyal, ready and willing to work hard for the common goal of the enterprise. The strategies and policies all get the consent of the employees. | Zhong et al. (2015); Anitha (2014) |
| Role of employees | Managers seriously consider employees' suggestions for product and process improvements. The enterprise encourages employees in all positions to make recommendations to improve overall performance. | Zeng et al. (2017); Zhong et al. (2015) |
| Recruitment | The enterprise builds a system of specific criteria for selecting employees such as the attitude / desire to work in groups, the ability to solve problems, the ability to come up with ideas and improve the production process, working value and ability to adapt to corporate culture. | Zhong et al. (2015); Sun et al. (2007) |
| Shop floor contact | In the production area, managers and employees always prioritize direct communication with each other. Engineers and shop floor managers are regularly present in the production area to help quickly when problems arise. | Zhong et al. (2015) |
| Problem solving | The enterprise divides employees into groups to improve production activities. Members in each group try to solve problems related to their field, all members' opinions are considered before making a decision. | Anitha (2014); Sun et al. (2007) |

| | | |
|-------------------------------------|---|--|
| Interaction supervisors with | Supervisors regularly hold meetings to help employees seriously discuss and encourage everyone to work in groups, exchange their opinions. | Singh and Lalropuii, (2014); Sun et al. (2007) |
| Training | Employees are regularly trained and developed in working skills. The enterprise is aware of the importance of constantly training and improving employees' skills. As a result, the employee has skills above the industry average. | Anitha (2014); Sun et al. (2007) |
| Multifunction employees | Employees are trained to perform a variety of tasks so they can work in other positions when required. The higher the working seniority, the more likely an employee is to be able to do many different jobs. | Sandanayake et al. (2008) |

Sources: Authors

3. Methodology

3.1. Data collection

The paper used data collected from a questionnaire survey in Japanese and South Korean enterprises in Vietnam from July 2019 to April 2020. The study was conducted through questionnaires including 9 groups of human resources practices with a total of 38 questions. The questionnaire was built based on the synthesis of HRM scales and adjusted to suit the context of foreign enterprises in Vietnam. These questions were designed on a Likert scale with 5 levels: from 1 - Strongly disagree to 5 - Strongly agree.

Respondents were Vietnamese employees, managers and engineers from a number of Vietnamese, Japanese and South Korean enterprises in manufacturing sector in Vietnam. The obtained results included 406 satisfactory questionnaires. In which, 137 questionnaires were filled by employees at 18 Vietnamese enterprises (Hoa Phat, THACO, Thanh Cong, Hoa Sen, , Gelex, Artexport,...), 128 questionnaires were prepared by employees of 16 Japanese enterprises (Osco, Alpha Industries, Santomas, Toyo Ink, Kyoei,...) and 141 questionnaires by employees of 19 South Korean enterprises in Vietnam (Samsung, LG Electronics, Posco, Hyundai, Jaeill, Namyang,...).

The average working age of the whole sample is 6.3 years. The average age of employees in Japanese companies is 32.8 years, and in South Korean businesses is 31.5 years old. In terms of gender, male employees account for the majority with 71.2% of the total. Among the respondents, 55.4% are factory workers, 26.4% are middle and first-line managers, and 19.2% are top managers.

3.2. Measurement tests

Before data analysis steps, the testing of the measurements was conducted to ensure the reliability. The results of measurement tests are shown in Table 2.

First of all, for content validity, the author reviewed and synthesized both theoretical and empirical researches of human resources management. The scales are synthesized based on previous studies. Then, we consulted experts in the field of human resources, especially experts knowledgeable about Japanese and Korean businesses to correct the wording and adjust questions to suit the context of foreign companies in Vietnam.

For reliability testing, the author used Cronbach's Alpha analysis of each scale on pooled sample. All of Cronbach's Alpha values were all greater than 0.5, indicating ensured reliability of the scales. Construct validity was also considered through an Exploratory factor analysis. The eigenvalue value was greater than 1 and each item's factor loading was greater than 0.4.

Table 2 Reliability analysis results and validity test for human resource management scales (pooled sample)

| No. | Scales | Cronbach's alpha | Cronbach's alpha if item deleted | Eigenvalues | Items | Factor loadings |
|-----|--------------------------|------------------|----------------------------------|-------------|--|-----------------|
| 1 | Authority centralization | 0.892 | 0.884 | 1.903 | Actions ensuing supervisor's decisions | 0.823 |
| | | | 0.799 | | Discouragement someone from making their own decisions | 0.870 |
| | | | 0.802 | | Authority over small matters | 0.862 |
| | | | 0.857 | | Supervisor consultation | 0.741 |
| | | | 0.821 | | Approval from superiors | 0.818 |
| 2 | Employee engagement | 0.881 | 0.822 | 4.765 | Efforts exceeded expectations for organization's success | 0.811 |
| | | | 0.861 | | Desire to work at the organization for a long time | 0.813 |
| | | | 0.752 | | Similarity between personal values and organizational values | 0.842 |
| | | | 0.780 | | Pride in being part of the organization | 0.859 |
| 3 | Role of employees | 0.734 | 0.704 | 1.807 | Serious consideration of suggestions | 0.896 |
| | | | 0.712 | | Encouragement of suggestions for improving performance | 0.691 |
| | | | 0.730 | | Explanation of rejecting or accepting a suggestion | 0.869 |
| | | | 0.694 | | Implementation of useful suggestions | 0.836 |
| 4 | Recruitment | 0.885 | 0.713 | 2.091 | Recruitment based on team work attitude | 0.840 |
| | | | 0.825 | | Recruitment based on problem solving aptitude | 0.685 |
| | | | 0.791 | | Recruitment based on work values | 0.754 |
| | | | 0.862 | | Recruitment based on ability of working in small groups. | 0.749 |
| | | | 0.821 | | Recruitment based on conformity with corporate culture | 0.695 |
| 5 | Shop floor contact | 0.758 | 0.699 | 2.171 | Face-to-face contact | 0.829 |
| | | | 0.718 | | Quick assistance of engineers | 0.721 |
| | | | 0.721 | | Presence of managers on the shop floor | 0.853 |
| | | | 0.737 | | Readiness of managers when needed | 0.838 |
| 6 | Problem solving | 0.843 | 0.743 | 1.962 | Respect for members' opinions | 0.861 |
| | | | 0.792 | | Formation of teams to solve problems | 0.750 |
| | | | 0.833 | | Problem solving through small group | 0.821 |
| | | | 0.806 | | Discouragement to independently solve problems | 0.852 |
| 7 | Interaction with | 0.695 | 0.667 | 2.123 | Encouragement of working as a team. | 0.708 |

| | | | | | | |
|---|-------------------------|-------|-------|-------|---|-------|
| | supervisors | | 0.682 | 2.310 | Encouragement of exchange opinions and ideas. | 0.686 |
| | | | 0.593 | | Regular group meetings | 0.710 |
| | | | 0.650 | | Encouragement of solving problems together | 0.879 |
| 8 | Training | 0.673 | 0.580 | 2.310 | Regular training and development in workplace skills | 0.753 |
| | | | 0.531 | | Manager's emphasis on continual training | 0.813 |
| | | | 0.622 | | Training for outstanding skills | 0.772 |
| | | | 0.654 | | Highly skilled employees | 0.697 |
| 9 | Multifunction employees | 0.822 | 0.793 | 3.007 | Training of performing multiple tasks | 0.883 |
| | | | 0.801 | | Learning of performing a variety of tasks | 0.826 |
| | | | 0.754 | | Ability of performing different tasks of senior employees | 0.845 |
| | | | 0.812 | | Cross-training | 0.912 |

Source: Authors

Table 3 Situation of human resource management practices in Asian companies in Vietnam

| No. | Practices | Vietnam companies | | Japanese companies | | South Korean companies | |
|-----|------------------------------|-------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| | | Mean | Standard deviation | Mean | Standard deviation | Mean | Standard deviation |
| 1 | Authority centralization | 4.702 | 0.593 | 4.122 | 0.545 | 4.625 | 0.612 |
| 2 | Employee engagement | 3.468 | 0.687 | 4.153 | 0.749 | 4.311 | 0.683 |
| 3 | Role of employees | 3.872 | 0.531 | 4.704 | 0.532 | 3.638 | 0.762 |
| 4 | Recruitment | 3.684 | 0.720 | 4.625 | 0.647 | 3.876 | 0.525 |
| 5 | Shop floor contact | 3.169 | 0.681 | 3.612 | 0.739 | 4.214 | 0.652 |
| 6 | Problem solving | 3.826 | 0.637 | 4.427 | 0.625 | 3.620 | 0.738 |
| 7 | Interaction with supervisors | 3.792 | 0.711 | 3.728 | 0.593 | 4.108 | 0.603 |
| 8 | Training | 3.258 | 0.825 | 4.637 | 0.542 | 3.910 | 0.590 |
| 9 | Multifunction employees | 3.105 | 0.742 | 3.814 | 0.691 | 3.658 | 0.631 |

Source: Authors

4. Analysis results

Survey results of HRM practices in Vietnamese, Japanese and South Korean companies are presented in detail in Table 3. Besides clarifying the similarities and differences between HRM practices of the three countries, the author attempted to explain the results based on the effect of corporate culture.

First of all, the results of data analysis showed that Asian enterprises have similarities in the following human resources management practices:

- **Authority centralization:** The centralization of authority in all of three groups was significantly high with an average score of 4.702, 4.625 and 4.122 respectively. It can be said that culture in Asian businesses, with large power distance, emphasizes the right to make decisions of leaders. This sometimes leads to a junior employee feeling uncomfortable making their own decision because most of these decisions have to go through the opinion of a manager.
- **Interaction with supervisors:** Japanese and South Korean enterprises both had above average scores for this practice, 3.70 and 4.06, respectively. This result showed that there is still a certain gap between employees and their managers in all groups of enterprises. The employees do not have many opportunities to work in groups and discuss and share ideas with production supervisors.

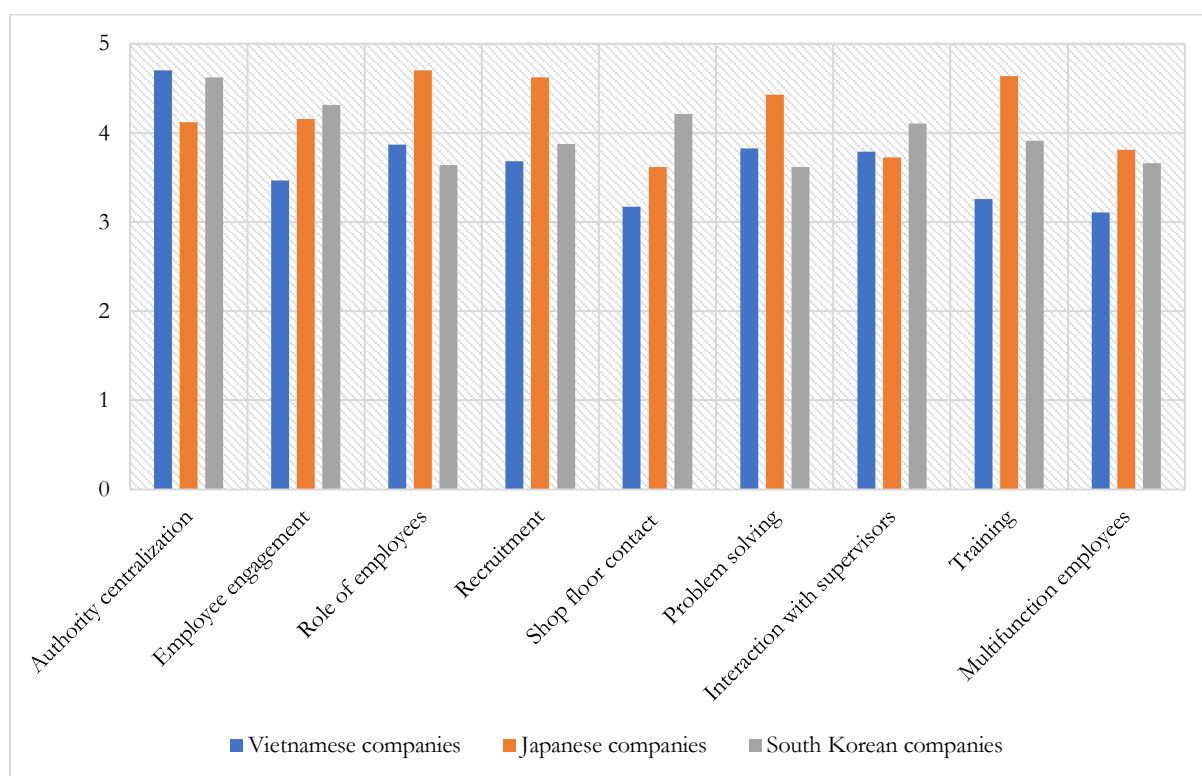


Figure 1. Ratings of human resource management practices in Japanese and South Korean enterprises in Vietnam

Next, some highlights of human resource management in Japanese firms are related to the following practices:

- **Role of employees:** Japanese firms had an average score of 4.704 for this practice, higher than the score of 3.638 and 3.872 for South Korean and Vietnamese ones. While the employee’s suggestions for product improvement and manufacturing process in Japanese enterprises are always respected by managers, in Vietnamese and South Korean enterprises, employees are not encouraged to give ideas to improve

production efficiency. Even when employee recommendations are not being deployed, managers have clear feedback on why the proposal has not been passed. Since then, Japanese businesses have always received many useful suggestions from each of their employees.

- **Recruitment:** Japanese firms had the average score of this practice of 4.625, which was quite different from South Korean firms (3.876) and Vietnamese firms (3.684). This result showed that Japanese firms pay more attention to the candidate's working attitude, problem solving ability, teamwork ability and the ability to come up with ideas to improve the production in recruitment process. Meanwhile, Vietnamese and South Korean businesses take a closer look at the candidates in terms of their capabilities and knowledge.
- **Problem solving:** For this practice, the gap in scores between Japanese companies and the other two groups of companies was relatively large (Japan - 4.427, Vietnam – 3.826 and South Korea - 3.620). This showed a difference in the way team members work to deal with the problem. In Japanese companies, each team member contributes his or her ideas to the decision-making process. Employees who are encouraged to participate in problem solving greatly improves the production process. Meanwhile, Vietnamese and South Korean businesses have not really appreciated solving production problems through the operation of small groups.

The differences in these three groups of practice revealed an interesting point in corporate culture across countries. The cultural characteristics of Vietnamese and South Korean companies promote collectivism and feminism, in other words, encourage cooperation, integration with the group, and the consensus of the majority. Therefore, in the workplace, although managers try to incite individual participation in decision-making, the timidity and gentleness of each individual makes the mobilization of collective efforts not really effective. In contrast, Japanese corporate culture emphasizes masculinity, assertiveness and dedication to work, so it always creates conditions for employees to express their roles more. Right from the time when selecting employees, Japanese employers also prioritize the criteria of teamwork ability and professional attitude.

The largest difference between Vietnamese businesses and companies of two other countries were reflected in the following practices:

- **Employee engagement:** The Japanese and South Korean firms were close to the maximum score, 4.153 and 4.311, respectively. This result represented a high level of loyalty among employees in these businesses. Each employee himself, when working in the enterprise, feels a similarity between his own values and the corporate culture. Therefore, they want to stick with long-term efforts and strive to contribute to the overall development of the enterprise. Meanwhile, Vietnamese employees showed a lower degree of engagement. This result can be explained based on cultural differences in terms of uncertainty avoidance. Indeed, there was a time when Japanese workers got used to the regime of working for only one enterprise for a lifetime. They look for the stability of long-term engagement to a business instead of changing many different workplaces.
- **Shop floor contact:** The average scores of this practice for South Korean and Japanese firms were 4.214 and 3.612, significantly higher than for Vietnamese firms (3.169). This showed that South Korean and Japanese businesses attach much importance to the direct exchange and communication between managers, supervisors and engineers with employees at the production site. The placement of engineers and managers close to the production site allows them to quickly assist and solve production problems. Meanwhile, in Vietnamese companies, factory managers are not often present at the production site. This is also influenced by the Japanese and South Korean culture of avoiding uncertainty. In order to prevent incidents, the permanent presence of engineers and supervisors is a useful solution.
- **Training:** Japanese and South Korean firms achieved a relatively high score (4.637 and 3.910) showing that they attach great importance to employee training. Managers are aware of the role of continuously training and improving employees' skills in improving production efficiency. In Vietnamese firms, with the average score of this practice of 3.258, it can be seen that employees have not regularly received appropriate training to help them improve their working skills.

- **Multifunction employees:** The score for this practice was relatively similar between Japanese and South Korean firms, at 3.814 and 3.658, respectively. However, the score of this practice for Vietnamese firms was only average (3.105). This score indicated that employees in the first two groups companies are capable of performing many different tasks, while the ability of Vietnamese employees to take over and replace other employees is only average.

The difference between Vietnam and the other two countries comes from a long-term orientation and uncertainty avoidance in corporate culture. Korean and Japanese businesses always focus on long-term results and risk prevention. For example, the training of versatile, rotational employees to vacant positions is a risk prevention option that allows to limit uncertainty in production operations. Meanwhile, Vietnamese companies are interested in specialization to simplify training as well as conduct less employee rotation activities.

5. Conclusions

This study gave general descriptions of the characteristics of the corporate culture of Vietnamese, Japanese and South Korean enterprises in Vietnam. Through analyzing and comparing the current situation of HRM practices in both domestic and foreign enterprises in Vietnam from the perspective of Vietnamese employees, the paper has pointed out the similarities in the five practices including: authority centralization and interaction with superiors. This result can be explained by the cultural similarity of these three Asian countries, in particular in terms of power distance. In addition, the gap in other cultural dimensions may also partly explain the differences in HRM practices in these three groups of firms. Specifically, Japanese businesses with a culture of individualism and masculinity often value the roles and recommendations of each employee and encourage them to participate in the decision-making process.

In order to provide more insight into changes in human resource management in the context of cultural differences, future studies need to overcome some of the limitations in this paper such as: improving the reliability of survey results by expanding survey samples; adding more detailed information related to the corporate culture characteristics of each enterprise by combining surveys through questionnaires and in-depth interviews with managers, supervisors and employees at enterprises; further deeply analyzing the relationship between corporate culture and human resource management through the use of different statistical techniques and analytical models.

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