

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Management



Bachelor Thesis

**Analysis of HRM in Practice - A case study of
NhatNguyen Café Bistro in Vietnam.**

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BACHELOR THESIS ASSIGNMENT

Le Minh Nhat Pham

Business Administration

Thesis title

Analysis of HRM in Practice – A case study of NhatNguyen Café Bistro in Vietnam.

Objectives of thesis

The main objective is to create a comprehensive overview of the activities of the Human Resource Management function in the chosen business. To analyse HRM in that business by describe this business's basic working structure, be able to understand the strength of their HRM strategy. Point out its weakness and any possible ways to improve the quality of their HRM.

Methodology

The thesis begins with a review of relevant literature – from publications and internet resources, to produce an overview of the subject.

The research will be based on quantitative and qualitative studies.

The quantitative research will be conducted on the business's customers and employees by small questionnaires or short interviews to gather information about HRM activities from the customer's point of view.

The qualitative research will be conducted by the use of PEST and SWOT analysis in the environment of the business.

The author will also draw on personal experiences gained from his internship at the business.

The proposed extent of the thesis

Approx 50 pages

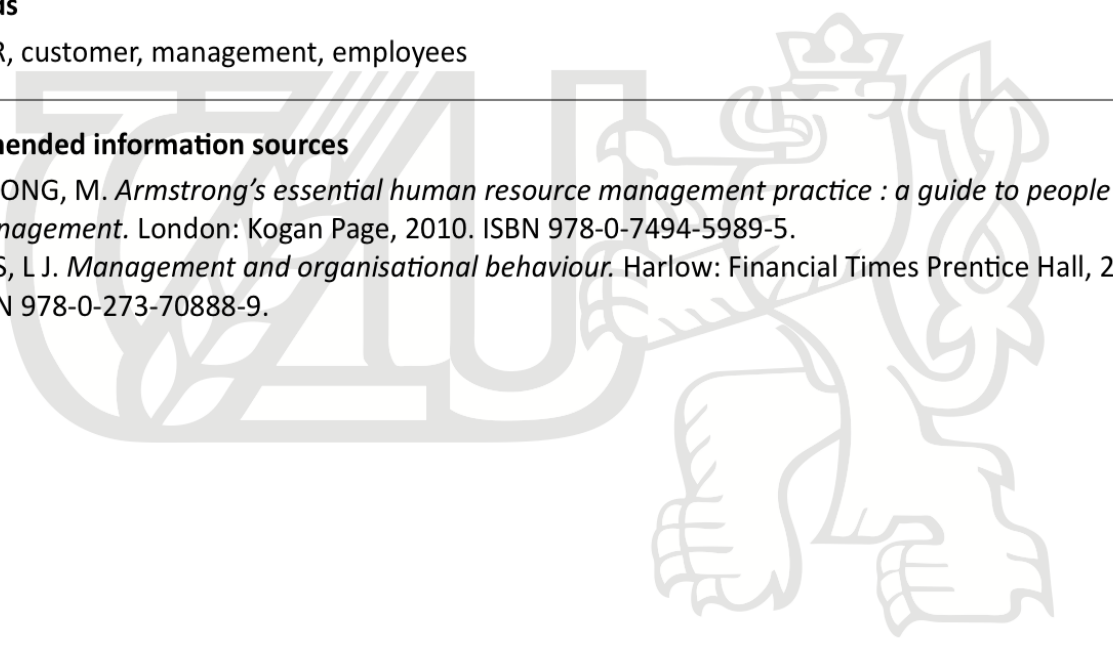
Keywords

HRM, HR, customer, management, employees

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ARMSTRONG, M. *Armstrong's essential human resource management practice : a guide to people management*. London: Kogan Page, 2010. ISBN 978-0-7494-5989-5.

MULLINS, L.J. *Management and organisational behaviour*. Harlow: Financial Times Prentice Hall, 2007. ISBN 978-0-273-70888-9.



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Declaration

I hereby declare that I have worked on the diploma thesis titled Analysis of HRM in Practice - A case study of Nhat Nguyen Café Bistro in Vietnam completely on my own under supervising of Ing.Richard Selby, Ph.D. and that literature and other information sources I used or cited are listed in the References section and cited in the text.

In Prague, March 2017

Pham Le Minh Nhat

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Analýza HRM v praxi - Případová studie Nhat Nguyen Café Bistro ve Vietnamu.

Souhrn

Vietnam je rozvojovou zemí, otevřenou příležitostí pro zahraničního investora hledající nové trhy a spolu s tím i cizí kultury a pracovní styly. Abychom měli lepší pohled na to, jak může firma přežít v takovém prostředí, kde je každoroční nárůst soutěžících více jak 2,5%; musíme rozpoznat nejdůležitější faktor ze všech; lidské zdroje. Využití analýzy řízení lidských zdrojů v typickém podniku napomůže k popsání základní pracovní struktury tohoto podnikání a pochopení její HRM struktury, provádění průzkumu pro přehled vnitřního i vnějšího prostředí podnikání a použití možné metody analýzy nám povolí lepší pohled na podnikání.

Teoretická část této práce se zabývá pozadím lidských zdrojů a jejich účinným využitím v praxi. Dále práce pokrývá i vliv faktoru výkonnosti podniku a jejich pracovní síly skrze filozofické myšlenky mnoha známých jmen, jako Karl Marx, Daniel R. Scroggin.

V praktické části, abychom porozuměli poptávce zákazníků, k pochopení situace, které toto podnikání čelí, budou využity PEST a SWOT analýzy, spolu s rozhovory a výsledky z průzkumů se zaměstnanci a zákazníky. Poukázání na slabosti a řady doporučení ke zlepšení HRM aktivit ve vybraném podniku mají vést k maximalizaci efektivity jejich služeb a k minimalizaci nedostatku provozu a řízení

Klíčová slova: HRM, HR, zákazník, management, zaměstnanci, práce, pracovní síly.

Analysis of HRM in Practice - A case study of Nhat Nguyen Café Bistro in Vietnam.

Summary

Vietnam is a developing country, it's an open opportunity for foreign investor, who seeking for a new market. Along with that, foreign cultures and working styles are making it impact to this country. To have a better look at how business can survive in such an environment, where more than 2.5% increase of competitors are joining the game each year; to recognize the most important factor of all; the human resources. To analyze HRM in a typical business by describe this business's basic working structure, understand their HRM structure, conducting survey for an overview of the business internal and external environments and using possible analysis methods to have a better look at the business.

In the theoretical part of this work deals with the background of the human resources and how to use it efficiency in practice. In further it covers the factor effect the performance of the business and the working force in it, by looking through philosophy ideas of many names like Karl Marx, Daniel R. Scroggin.

In the practical part, in order to understand the customer demand, PEST and SWOT analysis are used to provide better knowledge of the situation this business is facing, along with the conducted interviews and results from the survey with employees and customers. Point out its weakness and series of recommendations for improvement of HRM activities in the chosen business are provided with the purpose of maximizing the efficiency of it services and minimizing the lack of operation and management.

Keywords: HRM, HR, customer, management, employees, labour, workforce.

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1 Introduction

In the trend of international integration Economic today, to continue to stand firm in the fiercely competitive environment requires business to build their own staff, capable of qualify the position. The issues of how to pioneer human resources and management in an effective way added to get the best quality out of them are one of the most concern of any Businesses, Firms and Organizations.

People are the most important assets shaking the business, so the success of the business depends on the effectiveness of a "people management" of the business include: Manage staff, customers, vendors and lenders. Human resource management is science and art that make the wishes and desires of the business come to life.

In the end, the human factor is the proposed capital and create new ideas, as well as assuming the role of selection and application of advanced technologies, implementing the targets to improve its performance industry.

In many cases, capital and technology can be mobilized, but to build a team of enthusiastic, dedicated, capable of appropriate and effective work performance, are complex and more expensive. So to be able to survive and thrive in fierce competitive environment every company should implement human management to enhance and promote the ability of the human response through all the stages development of the business.

In general development of the entire economy of my country today, businesses day by day are becoming more comfortable with the treadmill's vibrant market economy. But businesses faced many challenges when conducting business activities in an economy where competition rules and harsh rejection greatly dominant business activity. In the current period and later, governance issues in HR is always the top concern of businesses. For commercial enterprises, economic efficiency is expressed through the human resources management in a scientific way reasonable.

This cafe bistro is not an exception. Well known by locals and tourists, Nhat Nguyen always conceived: "Best products quality and best services together are the two pillars that built a great porch. If one collapses so is the other. So each must be strong enough to stand on its own." However, the work of Human Resource Management at the company has yet to be finalized, the issue of human resources management. How to achieve high economic efficiency in a fiercely competitive market to win customers as currently the question is

always the first duty of the administrators of the Nhat Nguyen in particular and all staff in general.

2 Objectives and Methodology

2.1 Objectives

The main objective is to create a comprehensive overview of the activities of the Human Resource Management function in the chosen business. To analyze HRM in that business by describe this business's basic working structure, be able to understand their HRM strategy. Point out its weakness and any possible ways to improve the quality of their business and HRM.

This business will be put on the drawing board, to analyze from every factors that affect their success but mainly cover the area of Human Resources Management, by focus on the working structure form, recruitment process, training new employees and adaptation of new workers.

Difference methods are used to conduct a practical view of the chosen business to compare between the literature review and empirical research.

The literature review will be constructed by understanding various sources of public information online and written from basic HRM to recruitment, training and development of the main factor human resources.

2.2 Methodology

With the consulting of various internet resources and publish documents about HRM, the knowledge grained with them are selected and put together in a coherent structure, which shown an overview of the topic. Along with it are philosophy ideas of many names like Karl Marx, Daniel R. Scroggin which support and explain the concept of HRM mention in that chapter.

Quantitative researches are used on the business's customers and employees who is working for the business by small questionnaires form or short interview that created based on the internal information about HRM activities in the business, basic external elements from the customer's point of view. For the best result of outcome, the customers will be chosen randomly from difference day and time.

Qualitative research is conducted by the use of PEST and SWOT analysis in the environment of the business.

In the conclusion, with the experiences of personal intern, results of the survey, and other publications or other written documents provided by the business or/and internet resources are going to be summarized and presented in the confrontation with the literature review. According to the set objectives, recommendations for the improvement of the HR processes in the company will be made.

3 Literature Review

3.1 Background Overview

Human Resource Management or HRM is defined as: "strategic and coherent approach to the management of an organization most valued assets the people working there who individually and collectively contribute to the achievement of its object." [1]

3.1.1 The Historical Background.

Since the formation of human society, people knew where the clothes into an organization, governance problems began to appear. Each socio-economic patterns are associated with a certain production method, trends in increasingly complex governance together with the increasing development of the social economy.

On today's market, companies are facing the challenge to maximize efficiency offers its products and services. This requires attention to quality products and services, to marketing and sales methods as well as possible internal process efficiency. Leading businesses often try to create a balance between nature and the creative consistency. To achieve this goal, they rely on some of its biggest asset that is "human resources".

Business HR search help develop and maintain staff and quality management who actively participate in the success of the company. The organization looks forward to the expertise of human resources management to help them achieve efficiency and higher productivity with a limited workforce.

One of the main requirements of human resource management is to find the right people, the right quantity and the right time to satisfy the conditions on both businesses and new employees. When chosen those with the appropriate skills to work in place, both the employee and the company will benefit.

3.1.2 The Concept and Characteristics of the Human Factor.

If society wants to exist and develop, it required an active force of labour, which is a purposeful, conscious force of human beings to create material wealth to serve our needs. But they cannot directly produce products that serve their needs and requirements. So that in the society appear the social division of HR to serve other audiences, not only for their own.

The labour force in commercial enterprises as part of social workers assigned necessary implementation process of circulation of goods. Including their performed purchase process, transport, packaging and selective. preservation and management of business operations of the business. Their purpose was to labour to take goods from production areas to consumption areas.

HR general trade and HR in particular commercial enterprise exists as an objective necessity along with the existence of production and circulation of goods and trade, which is due to the division of HR social decision. The HR of commercial enterprises were also received from the HR market as other businesses. But now trade goods circulation functions should HR in commercial enterprises has its own characteristics:

- As with other enterprises of the national economy, the HR process in the commercial enterprise is the combination of the HR of workers with working tools to impact on the object of HR but HR object of commercial enterprises is a complete product, the purpose of employment of employees of trade is not affected in the natural animal to turn it into products suitable for consumption which is the impact on consumer items to bring it up to consumers to satisfy their individual needs, so that the products actually become the means get carried away consumers, implementation and price value its use value. Further, HR has identifiable commercial production workers just nature non-production workers. This is the most basic characteristics of commercial workers.

Capital and labour forces are related to each other here like money and commodity; an essential relation for the development of the social productive forces. Karl Marx, the Grundrisse (1857)

From the opinion of Karl Marx, we can understand that the labour force consists of two parts

- The first division of HR is continuing the process of production in circulation, including HR activities associated with the use value of the goods, the production turned into commodities trading items of trade is also of consumer goods. It is the HR department of transportation, storage, sorting, splitting, and selective adjustment of goods. Although this division of HR does not increase

use value but it creates new values, creation of national income. The consumption of HR division was offset by the new national income is created.

- The second related to the pure nature commercial circulation. This division relates only to the value and to realize the value of the goods. It is the purchase and sale of goods, collecting money, budget control, accounting and other management activities. HR department does not create value, not create national income. The HR consumption of parts to be offset by net income of society.

Theoretically we can easily notice the two parts of this HR, but in fact can hardly be clearly separated in terms of each specific employee behaviors. For example, sales behavior of salespeople in the retail shops. If sales only to collect money at the workers, it was pure circulation, but in act of bringing goods to customers containing the shipment from field to field production targets use the other hand to have the goods to sell employees must preserve the package goods. Moreover, when we mention this characteristic does not aim to separate the two parts of HR, but the more important thing is to see the nature of commercial HR and its differences compared to workers in the material production sectors and other service industries.

- Labour commercial is a complex form, requiring professional qualifications synthesis. HR in trade is a bridge between producers and consumers. On one hand, they represent the consumers to influence production, making the products are manufactured to suit the growing consumer; on the other hand, they represent the producer to guide consumers to make consumer line with the conditions of production in certain periods of the country. To solve this relationship requires a moderate commercial staff have scientific and technical qualifications given, understanding the technological process, the effect of each feature, both must have the social and political awakening to the knowledge of life, understanding the psychology of consumers, to know the set of social relationships, and is capable of governing is this ties.
- The percentage of high female HR in commercial enterprises. Derived from nature and characteristics of the operations of trade enterprises, especially the social nature of this activity, the HR trade are consistent with women's forte.

- The part-time, freelance work force are very powerful in the commercial trade market. Their characteristic not only shown between seasons but also between the days of the month, even between the working hours in a day.

This characteristic affects the number and structure of HR, the issue of recruitment and use of HR in the business, arrange time issue sales, shifts work in enterprises employing.

To maximize the working forces, businesses must combine harmony between regular workers and temporary workers, workers with lifelong recruiting and contract workers, between the amount HR and working hours of the employees in every day, every season.

In the commercial business at the same time there are three types of employees:

- First is workers on the payroll: this is the main labour department, cipher of the enterprise, the workers have high qualifications and trained a systematic way. The team will hold the key stages of the business and enterprise management.
- Secondly are the freelancer, part timer that occupied a large number of enterprise employees, who received a contract to work in a given time. These people are mostly women because some reason cannot do that all the time like other ordinary people. They usually go to work now call the season with high HR demand, or can take turns working a few days a week, several hours a day. This is the software division of HR has shown the resilience of the business flexibility in the management of business processes.
- Third are the day labour: the number of employees is not in the list of employees of enterprises that are now employed under HR needs day by day.

Naturally when calculating average HR indicators to calculate the average worker is a person to do all the working days according to mode conversion method.

3.1.3 Classified Employees in Commercial enterprises

If a business wanted information on the number of workers and HRM structure precisely, they have to conduct a classification on the workforce. The classification of workers in the enterprises serves the purpose of calculating the needs of management, calculation business production costs, tracking needs of business activities, the payment of wages and stimulate employment. We can classify employees according to many different criteria, depending on the purpose of research. Classification by the role and impact of HR to the business process:

- Direct Labour commercial business: include employee purchases, sales staff, warehouse personnel, transportation, goods clerk, packaging, filtering, and amending the goods. While the market economy this division also includes the marketing personnel, business management personnel. HR division accounted for a large proportion of commercial enterprises and hold key positions in the implementation of the mandates and objectives of the business identified.
- The second division of HR indirect commercial business: including administrative staff, personnel economics, accounting, statistics, security personnel of the enterprise.
- Divided by professional workers, such as:
 - Salesman Employee Purchase
 - Staff warehouse operations The transporter
 - Marketing staff Clerk
 - Etc.

The purpose of this classification method is to calculate, organize, and workers arranged in each profession, determine reasonable HR structure from which methodically paid HR and stimulation for each type of enterprise workers. Therefore, classification can base on qualification; usually, employees can be classified into 6 levels:

- Level 1 and 2 consists mostly unskilled, untrained in a public school.
- Level 3 and Level 4 includes the employees have passed a training course.
- Level 5 or higher are the skilled workers of enterprises, high-level business.

Indirect HR in commercial business is divided into: employees, professionals, principal specialist, senior specialist.

In summary, the classification of workers in commercial enterprises have important implications in the selection process, HR arrangement in a scientific way, promote full employment of all capabilities of workers, coordination between individual workers in the HR process to continuously increase HR productivity, improve employee efficiency, paving material to enhance income for workers. [2,7]

3.2 The HRM Methods Used in Practice.

Management approach is overall the impact manner towards workers and HR manager collectives to ensure coordinated activities of them in the process of implementing the proposed mission.

In the HR management process, enterprises can use a variety of methods to manage various HR. Based on the content and features of the method can be divided into groups of methods:

- Economic Method:

The economic impact methods on objects managed through the economic benefits to the subject administrator choose the plan most effectively operate within its scope of activities. Impact through economic benefits are generated human motivation positive HR. Greater impetus if it fully recognized and properly combine the benefits exist in the enterprise objective.

Strengths of this approach are the impact on the economic benefits of the object of management (individual or collective workers) comes from that they choose the plan of operation, ensure common interest will be done. The feature of this method is that the impact on governance subjects not by coercion but by the benefit administration that is stated mission objectives achieved, given the conditions encouraging economic, physical methods could be mobilized to perform the task. With economic measures, the benefits shall be carried out satisfactorily human collective in the enterprise will energetically work and common tasks will be solved quickly and efficiently. This is the best management practices to practice thrift and improve economic efficiency.

- Administration method:

The administrative method is a method based on impact organizational relationship management systems and techniques of business. Administrative method in business administration are the direct impact of the business owner to the HR collective under by the definitive decision, binding requires employees to abide by strict if the violation will be dealt with adequately in time.

The role of the administrative method in business administration is enormous, it identifies work order and discipline in the enterprise, is sewing up the other administration method together and address the issues raised in business very quickly.

Administrative method impacts on the administration objects in two directions.

- o The impact of organizational adjustments and the impact of the object acting administrator.
- o The impact of administrative takes effect immediately upon issuance of the decision.

So the method of administration is essential in the case management system fell into difficult situations and complicated.

In summary, the administrative method is absolutely necessary, this approach is no corporate governance cannot be effective.

- Psychosocial Method

Psychosocial method decisions directed to the goal line with the psychological level of awareness of human feelings. Using this method, which requires the leader to go deeper to learn the psychology and aspirations of workers forte. Based on the layout arrangement, using them to ensure to fulfill their creative talents, in many cases, employees have worked very hard over the economic mobilization.

- Methods of education

Educational method is the method used forms of a collective personal link to the standards and objectives on the basis of analysis and encouragement of self-discipline, the ability of the individual to cooperate.

There are two basic forms of motivated employees are: mobilize material and moral support (commendation certificates of merit)

The educational method is not merely political and ideological education generally but also including vocational education style notions of HR, especially the way the innovation of thinking and acting in a manner, new business production, production tied to the market, to accept healthy competition creates many advantages for businesses.

3.3 Purpose of HRM.

HR is a factor indispensable decisions to succeed in the business of any one business. Whether enterprise manufacturing or commercial business, if lacking elements of HR, the production business cannot be done

HR plays a very important role in the commercial business. HR creates wealth for the business as well as for the whole society. Without HR, the process of the production business cannot try out to be. Although there are other resources such as land, natural resources, capital, infrastructure engineering, science and technology will not be used and exploited purpose without HR. A business that HR is abundant, qualified professional high will facilitate businesses thrive.

Today, with the boom of science and technology with the explosion of information technology (computer networks ...), the trade workers tend to decrease. Businesses increasingly require more rigorous in their professional fields, qualifications of workers Management of human resources is a design of formal systems of the organization which provide effective use of human knowledge, skills and talents for achievement of the organizational purposes. Human resources represent set of knowledge, experience, skills, abilities, contacts and wisdom of the people working in the organization.

The main aim of HRM matches with a main aim of the organization in general. This ensuring stable functioning and a sustainable development of the organization in the long term. The direct purpose of management of HRM is providing the enterprise with the necessary personnel, creation of the solid effectively working collective capable to achieve the planned objectives. [2,3]

3.4 The Efficiency of HRM

3.4.1 The Concept of Efficiency

Efficiency is correlation comparison between the results obtained from the target has been identified with the cost spent to achieve that goal. To operate, commercial enterprises must have the goal of his actions in each period, which may be the social goals, could also be economic objectives and corporate business owners are always looking how to achieve those goals with the lowest cost. That is effectiveness. The effectiveness of business consists of two parts: social efficiency and economic efficiency.

Social efficiency is a measure reflecting the implementation of the social objectives of the business or the extent of the impact of the results of the business to the society and the environment. The social efficiency of commercial enterprises are often expressed through the level of satisfaction material and spiritual needs of society, create jobs, improve working conditions, improve and protect the ecological environment.

Economic efficiency is effective only in terms of economic business activity. It describes the relationship between the economic benefits that businesses achieve cost spent to achieve such benefits. The essence of economic efficiency is the implementation requirements of the rules to save time, it embodies the skills to use the resources of the enterprise to implement identified goals. Said decision of motivation to develop the

productive forces, create conditions for the development of social civilization and improving the lives of men of every age.

Economic efficiency and social performance organic relationship to each other, are two sides of an issue. Therefore, when carrying out production activities, trading as well as evaluate the effectiveness of these activities need to consider both aspects in a uniform. There can be no economic efficiency without social efficiency, the opposite economic effect is the basis, the foundation of social efficiency.

3.4.2 The Concept and Criteria of HR efficiency

3.4.2.1 The concept of HR efficiency

Man is one of the objective factors are indispensable in the production business. Under an economic perspective, the concept of HR associated with the (concern between human activity with the natural world) requisite for survival and development. HR process and the process of HRM. HR power is the power of human workforce, the whole physical and human intelligence. The employer is the main process of employing HR to produce products according to the production and business goals. How to use effective HR is a permanent question of the managers and employer. To this day there are many different views on the workforce efficiency.

From Marxism–Leninism viewpoint of HR efficiency is to compare the results achieved at the cost of HR spent some less to achieve more employment. Karl Marx indicates any coalition production methods would need to be effective, it is the principle of the union of production.

“Iron rusts; wood rots. Yarn with which we neither weave nor knit is cotton wasted. Living labour must seize on these things, awaken them from the dead, change them from merely possible into real and effective use values.”

Karl Marx

HR efficiency deciding role, the development of production is to reduce the cost of man, all progress science is aimed at achieving that goal. Stemming from the point of Marx outlined the nature of the HR efficiency saving time and more time saving is not only in the separate stages which save time for the whole society.

All that means is that when solving anything, yet practical issues with a view to efficiency, we always precede choice embodiments, different situations with the ability to allow we need to achieve the best options with the greatest results and minimum cost of HR.

F. W. Taylor was considered the "father of management thought." He developed four principles to increase efficiency in the workplace based on his own experience and observations as a manufacturing manager. [4]

His view speaks about human nature, the majority of the workforce out there do not work, they pay much attention to what they earn rather than the work they do. Not many people can do the job that requires creativity, independence, self-control.

So in order for employers to manage an effective HR, it must accurately assess the workforce situation in the business, to supervise and closely examine the maid, to divide the work into every single department over and straightforward, repetitive, easily learned.

- Humans can withstand very heavy works, hard jobs as they are paid higher wages and can follow the production set. The result, as we know, thanks to the application of scientific methods in the norm and HRM in organizations that HR productivity has increased, but also the exploitation of workers in conjunction. He also supported the workers with cash incentives are needed so that they are ready to work as people have the discipline.

"You can never go wrong by investing in communities and the human being within them" Pam Moore

According to that, whatever you do or where ever it is, the human factor is the key element to success. The human nature is a collective member, the position, and achievements of the collective sense of utmost importance to them is personal interest, they are the one with more emotional act of will, they want to feel useful and important, want to participate in public affairs and is recognized as a human being. So want to encourage labour, working people need to see their needs more important than money. Therefore, the employer must do so for the employees always feel useful and important. That is to create a better atmosphere more democratic and listening to their opinions.

In view of "human potential is to be exploited, and make development" said that human nature is not unwilling to work. They want to contribute to the implementation of goals,

they have independent innovation capacity. Management policies must encourage people to bring their best to the work, extending independence and their self-control would be beneficial to the exploitation of the significant potential. From such an approach one can understand the concept of HR efficiency as follows:

- In a narrow sense: HR efficiency is the result brought from the model, the management policies and employer. HR results achieved earnings that businesses can achieve from the business and the organization and management of HR, might be capable of creating jobs every business.
- In broad terms: Effective Employers also implies the ability to use more HR right sector, to ensure the health profession, ensure the safety of workers, the extent strictly observe HR discipline, the possibility of technical innovations in every worker, which is the ability to ensure justice for workers.

In summary, employers want to be effective, managers have to know accurately assess the real situation in your business, from which policy measures for new employees, improve HR productivity, the employer really effective.

3.4.2.2 Criteria for assessing HR efficiency

HR efficiency in the commercial enterprise is assessed by a certain indicator system. These indicators are dependent on the business objectives of the enterprise in each period. Therefore, the analysis and evaluation of HR efficiency must be based on business objectives and of the workers.

Goals which set their own business is always changing with time, and also change the look and evaluate the effectiveness perspective. But though we all objectives are to ensure the stability and sustainability of the business. Therefore, in order to evaluate the effect best employers must rely on results-based business or business profits achieved in the stable and sustainable development. Though not the profits that enterprises achieve higher efficiency means better employers because if the payroll, as well as other treatment, is unsatisfactory, the employee did not bring good results. So when analyzing and assessing HR efficiency of the business, the need to put it in the relationship between the interests of employees with the results of production and business activities to achieve and cost spent to reach that outcome.

3.5 The Need to Improve HR Efficiency.

It can be said in the elements of the enterprise resources; the human factor is the most difficult to use. How to do to improve HR efficiency in business is the problem of any business. In business, the goal is to achieve top high business efficiency, and to production and business activities of enterprises have not reduced the employer a reasonable way, scientific. If using unreasonable HR or arrangement improper function of each person will cause depression, not enthusiastic about the work assigned to lead to lower business performance and will lead to the decrease in all other matters of business.

Improve HR efficiency will contribute to saving labour costs lives, workers save time, reduce the depreciation period for corporate assets, strengthen HR discipline ... leads to reduced production costs production leading to increased revenue and helps businesses to expand market share, compete successfully in the market.

On the other hand, improve HR efficiency as a condition to ensure continuous improvement and improve the living conditions of the officers and employees, facilitating advanced skill levels, encourage creative capacity of people HR, workers push both physically and mentally.

HRM is a key component for the implementation of production and business activities, all production and business activity ultimately is to serve human interests. In today's commercial business, the human factor plays a decisive role in the success of all business contacts. Therefore, training, development, and use of effective HR vital to any business.

Speaking to the employer refers to the management and use of man. People are always developing and changing thinking, specific actions in specific circumstances. So what to do to capture the changes, thinking, human consciousness or otherwise capture the needs of the employees, the production of new business effectively.

In short, improving HR efficiency is a very important job and the need for all businesses. Because employers will effectively help businesses do business better, reduce production costs, accelerated depreciation of fixed assets ... that will help businesses stay on the market and expand market share increased competitiveness compete with rivals in the market. [5]

3.6 Factors affecting the efficiency of HR

Doing business is not an easy task, running it cost more than just time, money, strength and there are factors of environment that control over those costs. [7]

3.6.1 The external environment

That means all the external actors now involved and have an impact on the existence, operation and development of the business. It includes:

➤ **Politics and law**

The stability or instability of political, social, as well as the factors that greatly affect production and business operations and business results of the enterprise. The political system and the political point of view the law is ultimately a direct impact on the scope of items ... business partners. The major conflict or internal small countries and between countries will lead to a big change, disrupting the traditional business relationships, changing the transport system and redirected to serve residential consumers to serve consumers war. Such invisible did affect the company's operations, affecting HR efficiency.

➤ **Natural environment and infrastructure**

With the development of science, people increasingly realize that they are an integral part of the natural world and the natural world has an important role as a second body man. The need to improve working conditions, improve living conditions close to natural environmental pollution has become a pressing need common among managers and employees of the enterprise. The airy office clean, the green campus clean, good infrastructure will create a favorable environment to safeguard the health and HR productivity growth. Conversely noisy working conditions, environmental pollution, etc. will create inhibitors, mood irritability, social relations will be hurt, vulnerable social contradictions accumulate, so boom will affect the efficiency of HR.

➤ **Environmental engineering and technology**

Technical factors and technology as the basis for the economic factor are the power lead to the introduction of new products will affect patterns of consumption and sales system. The development of engineering and technology help the workforce to catch up to schedule, not every worker in businesses can keep up the development of science and technology, so the employer must know how to reasonable workout the solution without causing excess or

shortage of HR, causing production delays are the work of managers to employees effectively. The launch of development of science and technology is also at the company reduced its number of employees, eliminate weaknesses and staff choose the capable, qualified, new professional right forward provide high efficiency in the business.

➤ Economic environment

Economic factors including the factors affecting customer purchasing power and consumer goods from the trend of the market, define how businesses use their resources to influence the use employees of the company thereby affecting the business activities of the company. Economic factors include economic growth, the change in the structure of production and distribution, economic potential and an increase in investment, inflation, unemployment, the monetary and credit policy.

Today the international trade group of food commodities, food, drinks, traditional products fell faster in percentage terms. Meanwhile the share of trade in processed goods, new items are likely to increase rapidly. This is having a huge impact to the field of business and investment. Therefore, diversification of business items and decided to choose the form of trading, commodities trading does mean extremely important. The selection of other items expands diversified business items. Affect the number of employees increased, forcing companies to hire more workers, whose qualifications matching trades his company's business.

➤ Social and cultural environment

Social and cultural environment directly affects the behavior and life of humans. A country, a business with social and cultural environment creates good premise Separate stimulate employees to work better and vice versa. The socio-cultural factors including:

- Population trends and advocacy
- Households and movement trend
- The movement of population, population's income
- Ethnicity and psycho-physiological characteristics
- Employment and job development issues

3.6.2 The Sector Environment

- Customers

Customers who were strongly influenced the survival and development of the company. Customers can be wholesalers, retail buyers, purchasing goods and consumer items or purchase materials. Depending on the shopping behavior of customers whose trading company-matching items through which coordination workforce to suit each commodity, commodity.

➤ Providers/ Suppliers

The supply of goods is the organization of resources in order to serve the business activities of enterprises. Supply conditions to allow for the movement of goods, circulation is carried out regularly, constantly, contributing to the functions and objectives of the enterprise.

If the supply always meets goods in terms of quality, quantity and time, place of delivery ... will help businesses capture business opportunities, meet customer needs, increased competitiveness. In contrast, the process will interrupt production and circulation of goods, businesses do not miss business opportunities. Therefore, enterprises always have reliable suppliers to avoid unnecessary mistakes.

➤ The competition organization and sales

These are the factors that impact directly and strongly to the enterprise. Competitive organizations, on the one hand, is the competition between enterprises on how to reduce costs, lower selling prices but still have the best profit. This is related to the administration of an enterprise's workforce will facilitate the further increase in HR productivity, increase sales, increase profits. Nowadays in market economy companies now always choose the best-qualified employees and qualifications. It is the resource to help businesses operate, develop competitive with other companies

3.6.3 The Internal Environment

The internal environment of the enterprise is understood as the culture of enterprise organizations. Corporate culture includes many elements. From the perspective of the business environment should pay special attention to the business philosophy, practices, habits, traditional style of living, the art of conduct, the rituals are maintained in the enterprise. All the elements that make up the atmosphere, a sense of identity specific to each business. These enterprises have highly developed cultures working atmosphere will charm enhanced creativity and loyalty initiative. Conversely, enterprise culture is inferior

to popular indifference irresponsible apathy and impotence of the workforce of an enterprise or otherwise will make effective use of inferior HR.

- Factors related to employees
 - The quantity and quality of the HR

In production and business activities of enterprises first factor affecting HR efficiency that is the quantity and quality of HR. As we know, HR efficiency is measured and evaluated by the HR productivity indicators. Labour productivity growth is the increase of productivity and HR productivity; in general, we understand that a change in the way of HR, a change made to shorten HR time socially necessary to the production of a commodity, such that the amount of HR that produces less value to use.

When the number of employees decreased but still generate revenue unchanged even increase means increased the working productivity, wages fund savings. At the same time, the average wage of employees increased by circumstances good plan. This will stimulate the morale of the employees, and businesses save on HR costs, increased HR time fund.

Good HRM quality will affect HR productivity gains, improve HR efficiency. The quality of HR or HR skills reflects the ability, capacity, and qualifications of workers.

The quantity and quality of HR have always existed parallel to each other. A business where many workers but not workers cannot effectively achieve business goals. In other words, the excess or shortage of HR that bring harm to the business.

- Organization and management of the workforce

The organized HRM will make employees feel fit, loved the work being done, causing the psychological positive for employees, contributing to increased HR productivity, thereby improving efficiency employers. Assign and allocate workers to jobs matching their qualifications promote new energy and knack of workers, ensure work efficiency.

Assigning attached to cooperation and good use of HR-management measures will promote the improvement of the productivity. HRM expressed through work such as recruitment, training and workforce development, employee remuneration, division of HR and cooperation agreements, the organizational structure.

- ❖ HR recruitment: recruitment plays a very important role as it is responsible for all HR input apparatus, determines the degree of quality, competence and qualifications of staff and workers in the enterprise.

HR recruitment is understood as a process of searching, selecting those who engage in business activities of enterprises in accordance with the quantity, quality and HR structure, meet the requirements of business personnel now in every period.

- ❖ Division of the employee and cooperation agreement is the most basic content of the organization. It dominated the entire remaining contents of reasonable HRM in the enterprise. Due to the division of HR that all the HR structure in the enterprise was formed to create a machine with all the parts and functions necessary for the corresponding ratio at the request of producers. Labour Cooperation Agreement is the operation of the HRM structure was in space and time. Two related content and interact with each other. The tight labour union depends on a reasonable degree of division of HR. The deeper the division of HR, the higher the labour union results.

The division of HR within the enterprise is split all the work of the enterprise to communicate to each person or group of employees performed. That is the process of attaching each employee with the task of matching their ability. A reasonable division of HR has a great impact in improving business efficiency, increase HR productivity. The division of HR will be achieved specialization in HR, specialization of HR tools. The employee can do a variety of jobs that do not take times to adjust the equipment to replace instruments ... Through specialization will limit the scope of activities, the worker will quickly become familiar with the job, have the skills to work, reducing the time and cost of training, and thorough use of their respective capabilities.

Selection and application forms assignment and reasonable HR union as a condition for the rational use of HR, improve HR productivity, thereby improving the efficiency of HR.

- ❖ Training and development workforce is understood as a process of fostering and improving knowledge, qualifications, skills and other qualities needed for workers in the enterprise, thereby facilitating improve conditions for each work productivity, meet the job requirements, improve the quality of the workforce.

The training and workforce development help businesses improve the quality of HR to meet the requirements of business operations. Also, training and workforce development will create conditions for each member in the business full play forte capacity, as well as business owners.

HR training has two forms:

- Internal training by the enterprise or internal implementation team. This training must be conducted on a regular basis and flexibility.
- Training from the outside that is the use of people attending the training programs of professional training institutions.
- ❖ HRM practices: in today's commercial enterprises, remuneration for HR activities are very high requirements, significant impact on HR efficiency. Today encourages employees to create incentives for employees is an indispensable measure of business activity. Motivating employees to encourage cooperation to help each other in the course of business, to motivate people to work. HRM practices in businesses including motivation by physical and nonphysical.
 - Physical motivation has 2 parts are direct remuneration and indirect remuneration
 - Direct remuneration is the amount of money as salaries or bonuses.

The salary is the amount for which the employer paid to the employee corresponds to the quantity and quality of HR that workers have been wasted in the process of implementation of the work that people assigned to employers. The organization of fair wages and reasonable will create harmony between the open air HR, forming united block, a heart for the development of the business and is also in the interests of themselves. Therefore, employees actively working with all the enthusiasm, zeal satisfactory due wages they receive. When the organization of wages in enterprises lack fairness and rationality, it will generate an internal conflict between the workers and between workers and managers. Thus the work of great influence wages to HR efficiency. There are two forms of wage payment is paid and paid over time by product.

The bonus is actually additional funds for salaries to more thoroughly understand the principle of distribution according to HR and improve efficiency in production and business of enterprises. The bonus is one of the material incentives for employees during work. Thereby improving HR productivity, improve product quality, shorten time to work. There are four forms of bonuses are: reward ratio reduced product damage; Bonus improve product quality; bonus exceeded HR productivity; Bonus materials savings, material. In addition to the modes and forms of reward in, businesses can implement different forms of bonuses depending on the conditions and the practical requirements of production and business activities.

➤ Indirect remuneration such as welfare payments, subsidies that workers are entitled. These grants are not based on the quantity and quality of HR which largely average. Subsidies are enjoying Clause workers including insurance, medical benefits, educational allowances, travel allowances, housing subsidies ...

- Remuneration spirit (non-physical), including through the work incentive as to create conditions for his employees with opportunities for advancement, creating the work environment, the atmosphere relaxed the working employee, the scientific of organizations work arrangements suit the ability and capacity of workers.

❖ Organizational structure:

This is an important factor affecting the HRM efficiency. A company with good structure, stability will contribute to the operating team is getting better and more employees, enabling enterprises to develop long-term sustainability. With a compact structure, reasonable, employees will be eager to work, HR productivity growth. In contrast to an organizational apparatus cumbersome, difficult to control would hinder the executive producer and production makes HRM efficiency worse.

- Level of political enlightenment

To promote the improvement of HR productivity in the trade must first be based on the enlightenment of the workers. People are the deciding factor to business processes, human thought decision households actions. Political enlightenment, social understanding, spirit and attitude of employees, business ethics of workers higher, more consistent with the fact that HR productivity is higher and vice versa coz the passion for his hard work in the profession, is now considered.

➤ Factors related to the group of workers

- Structural business goods

Every business trading commodities, different sectors, which significantly affected the distribution and employers how to appropriately.

Greatly affect the employee participate in the productivity of the commercial business. If high-quality goods, goods business structure in line with the structure of consumers, enterprises have the conditions to increase the volume of consumer goods thereby increasing HR productivity. On the other hand, when the cargo business structure changes made in the labour productivity expressed in the changes of the employee's wages, will slow down their productivity.

- Characteristics of capital

A commercial enterprise wants to perform the functions and duties of his must have certain properties, such as land, warehouses, stores, transportation and preservation of goods, materials, and goods. Which is the expression in money of the business assets. If businesses have more capital will be the conditions for improving the material and technical basis, thereby achieving high efficiency in the use of HR.

3.6.4 Group factors related to the labor force

- Scale of quality structure and distribution networks, stores, stalls ... Enterprise, Storage network and the close coordination between the warehouses, shops and transport.
- Communication and information technology

Technical facilities and technology have great significance for the development of production and HR productivity growth to thereby improve HR efficiency. The conduct of applied technology and advanced manufacturing techniques to create positive sentiment for employees. Technical Sciences growing at a rapid pace, creativity and put into production all kinds of modern tools increasingly require workers to have the respective professional qualifications or they will not able to controls are machinery, cannot grasp the modern technologies. Therefore, the application of new achievements of science and technology, manufacturing technology will contribute to further improve the organization of production and HR organization, raise the level of employers, workers remove the waste useless activities and the loss of working time.

Communication in organizations can be viewed in one of two perspectives: between individual (interpersonal communication) and within the formal organization structure (organizational communication). The basic purpose of interpersonal communication is to transmit ideas, thoughts, or information so that the sender of the message is both understood and understands the receiver. In general, organizational communication systems are downward, upward, or horizontal. Overlapping these three formal systems is informal communication system called the grapevine. [6]

4 Practical Part

4.1 Introduction

Founded in late 2006 by Mr. Lam Nguyen Pham, this café bistro is located in Dalat, which is the capital of Lam Dong province in Vietnam. The city is located 1,500 m above sea level on the Langbiang Plateau in the southern part of the Central Highlands region. Built at a crowded corner of Xuan Huong lake, opposite the Ong Dao bridge.

With their own coffee workshop and coffee store, they have provided many products and services to numbers of customers around the country.

In 2015, Nhat Nguyen Café Bistro is transform into Nhat Nguyen Café Business.

Their motto is: “The best flavors come from original fresh coffee “

****Business conception:**

By focus on building a workforce within a workspace that is comfortable, professional and friendly, so when the products and services you receive are coming from the love of all employees.

Best products quality and best services together are the two pillars that built a great porch. If one collapses so is the other. So each must be strong enough to stand on its own.

4.2 Overview of the business situation

4.2.1 The products

Their coffee is selected from agricultural products originating from Lam Dong province, Vietnam. By combine mainly Arabica and Robusta coffee bean, their coffee has a strong aroma, bitter sour taste and dark brown colored water. With 1,8% caffeine content with the whole bean coffee and coffee powder products.

4.2.2 Market and competitor

In recent years, in Vietnam, many violations of coffee production have been found, typically is the use of fire roasted corn pulp, soybeans and chemicals to make fake coffee and then dispersal to small shops and retail coffee shops. Therefore, in order to regain the trust of consumers, many shops that sell coffee have to make coffee grinding right in front of customers. However, this "dirty" coffee - coffees include many other materials - only

appear on the market for low-income people or those in remote areas. Coffee Culture in Vietnam brought a wide range of products and different prices for consumers. They can easily find coffee shops selling black coffee at just 10,000 VND to 70,000VN/ mug. In general, the coffee shops in Vietnam are highly appreciated by the variety of forms, services and products.

<p>Political and Legal factors</p> <ul style="list-style-type: none"> • funding, grants and initiatives • international pressure groups 	<p>Economic factors</p> <ul style="list-style-type: none"> • seasonality/weather issues • home economy trends
<p>Social and Cultural factors</p> <ul style="list-style-type: none"> • consumer attitudes and opinions • media views • advertising and publicity • lifestyle trends 	<p>Technological factors</p> <ul style="list-style-type: none"> • replacement technology/solutions • innovation potential

Table 1PEST analysis table

According to recent study, the coffee shop chain is the fastest growing type, with annual sales up 32%. This high growth was due to the expansion of the coffee shop brands available and the entry of new brands to Vietnam market. In 2015, Starbucks increased the total number of stores to 16. McCafe have opened 5 stores since this coffee brand infiltrate in Vietnam in 2014. Other chains such as Coffee Bean and Tea Leaf, Gloria Jeans, Concepts and Highlands Coffee also are continuing to develop more retail store. The explosive growth of coffee chains showed that the customers are stringent product quality as well as the store's service. [9]

Moreover, there are a large number of smaller coffee chains, with the idea of serving both coffee drinks as healthy traditions, and the foreign-style coffee (Frappuccino, latte, ...) with competitive prices than foreign brands. The large and small chain stores in countries such as Trung Nguyen Coffee, Coffee Passio, Phuc Long, Shu, Effoc Coffee, Napoli and Milano are also developing to promote coffee consumption in the country. New type to enjoy coffee is also forming and develop more broadly called coffee on the go (take away) because of increasingly busy lifestyles of consumers in major cities. Coffee take away is also popular old style coffee shop now. Many brands have used this method

and home delivery to extended customer base. Throughout the years from 2009 till 2014, the number of coffee shops have increasing by 2.8% each year due to the increasing of social needs, in detail the table 2 [8] below can show how much it increases in a year.

Table 2 Development of coffee shops through the year.

	2009	2010	2011	2012	2013	2014
Coffee shops	10422	11003	11539	12003	12462	12711
Chain coffee shop	125	136	147	178	190	230
Single coffee shop	10325	10895	11435	11895	12345	12600
Professional coffee shop	8744	9035	9716	10102	10444	10740

And these day, business have to face even bigger problem. It's the explosion of Internet and online shopping. Maintaining physical appearance is not enough to hold on to the customers, when one simple comment on social media or internet ranking pages can cause a business to shut down.

“If you know the enemy and know yourself, you need not fear the result of a hundred battles.” The Art of War- Sun Tzu

Like it said in *The Art of war*, in order to anticipate the rivals in the industry, no analysis is better than the SWOT analysis. The SWOT analysis can be understand as knowing the internal elements that could help the business and also the external environments the business has to face.

Source: Johnson et.al., 2005.	Helpful	Harmful
Internal Environment	Customer Loyalty Supply Chain Real Estate Pricing Power	Customer Service Online Presence Weak Management Weak R&D
External Environment	New Products New Services Online Market	Substitute Products Change in Tastes Bad Economy

Table 3 SWOT analysis

From the SWOT analysis above we can see that the customers are changing their taste to match with the trend that many foreign coffee chain invest into Vietnam where the economy is badly affected by the world market. To compete again that, the business must come up with new type of services or products to get the attention of the new customers as well as keeping the loyal customers. Old school type of management are no longer show efficiency, new methods are presented and used. Further, many others competitor have catch up with the modern way by using the internet as an advanced.

4.3 Overview

4.3.1 Working structure

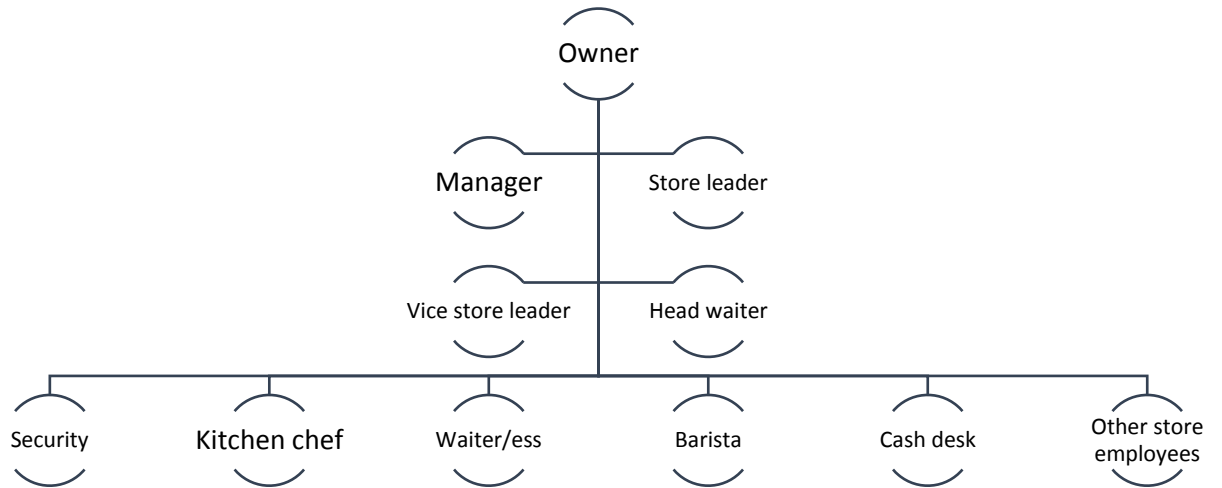


Table 4 Nhat Nguyen working structure

4.3.2 Employees

For any enterprise or economic organization does the labor force is a factor always plays an important role, pivotal in the implementation of production and business processes. Currently the business has over 20 workers and staff are allocated as follows:

Position	Gender		Education level			Average age
	Male	Female	University	High school	Other	
Manager	0	1	1	0	0	30
Store leader	1	1	2	0	0	28
Head waiter	1	1	2	0	0	28
Security	3	0	0	1	2	35
Chef	0	1	0	0	1	38
Waiter/ess	2	4	5	1	0	20
Barista	1	1	1	0	1	22
Cash desk	2	1	3	0	0	28
Other	0	2	0	0	2	24
Summaries	10	12	14	2	6	

Table 5 Detail about employees

Through labor structure in the business we can see some following remarks:

- Due to the nature of the business is to produce good customer services, the labor force accounted for the majority of production.
- Employee that have postgraduate qualifications is about 25% and other 75% are undergraduate, high school and other but they are the back spine of the business.
- The average age of employees in the business is 28 years old. This business has a team of young workers.
- The leaders are experienced and capable of management.

4.3.3 Vice store leader/ Head waiter

1. Seating the customer(s)
 - Welcome the customers with a smile and friendly gestures. Not only that employee but all staffs present in the store.
 - After greeting guests and seating, ask the customer's desire product and service.
 - For customer(s), who request product(s) or service(s) with a large amount then the employee should ask for the manager as best for the client(s).
2. Greet the customer(s)
 - Customers that use the products, services of Nhat Nguyen whether with high or low value should all be treat with sincerities thanks.
 - Whether the clients are just visiting, they also must be kindly welcome.
 - After consulting but the customers still do not use the product and services Nhat Nguyen provided then the employee still have to send out to the customer the message that: "Nhat Nguyen wants to serve you and we hope that the next time you come to us, we will meet the requirements of yours "

4.3.4 Head waiter/ waiter/ess

1. Taking order to raw material(s) and goods
 - In the course of working at the store, with each material about to run out or already run out, head employee should list them in a table to order.
 - Store manager must inspection each goods and raw materials at the store, before placing an order.

- All Items and goods must be bought with the invoice payment.
2. Cleaning
- All garbage and trash must be empty after each shift.
 - Wipe the floor, dusting accessory products and avoid water scattered on the floor.
 - Clean all washing area, and toilets.
 - Always keep the glass clean.
3. Opening and Closing hour
- The staffs who are responsible for the opening the store must sweep, clean and wipe out the store before opening the door to welcome customers.
 - The staffs who are responsible for closing must empty the garbage in the store, turn off all electrical appliances before leaving.

4.3.5 Manager/ Store leader

- Manager is the one who responsible for reviewing and checking everything in order to get things done the best.
- Responsible for training new staff and provides full business value, essential information for new staff.
- All staffs are treated the same as they are family.
- The prerequisite of a manager.
 - Must build a team of staff which is united, happy, comfortable environment and in it everybody help one another to work, this is the most important factor deciding the success or failure of Nhat Nguyen cafe shop.
 - Teach the staff to respect themselves and find ways to treat them, make they feel respected.
 - The manager must have experience each department, understood everything in the store.
 - Must treat the store as their own home, understand and influence other to preserve, protect, and do everything possible to increase sales outlets.
 - A manager should learn to trust their staff and let it to empowering employees, creating an environment for everyone to fulfil their capabilities in any location.

- Reward the merits of each individual or the things they do well to encourages everyone to strive for development.
- Every day, the store manager will summarize revenue, expenses and prepare financial update table attachments.
- For each sector in Nhat Nguyen business has a marketing department but in the store, the manager should know how to use those marketing programs along with some basic marketing skills and combined with Sale to bring maximum business efficiency.

4.4 Revision

The only way to know how customers see your business is to look at it through their eyes. Daniel R. Scroggin

Memorandum to all employees

- Always trust your colleagues and the business.
- Everyone has duties and responsibilities no matter how different is the ability of each individual, to respect and helping other.
- In each job if you give yourself to it, you will be rewarded and Nhat Nguyen always interested in that.
- Working with all your heart that no matter how big or small, it will be honored.
- When working with colleagues, always remember to train ourselves with teamwork attitude.

Partner/Colleague

- Before each work shift it's required that all must to go ahead 10 minutes to adjust their outfits, aprons and clean up their section.
 - Remember to do our best to please the customers. For customer service, the staff is not only have to listen and care for their needs, but also have to observe them and respond to them when they need.

Method of settlement of customer's complaint

- Listening: Listening is an essential skill, it helps to identify issues that the customer is facing.
 - Should sympathies with customer issues and ready to solve the problem.

- Sorry: right or wrong, you should apologize to the customer, express your wish to solve the problem and it will not happen again.
 - Let's thank our customers for the problems we're facing because they have given us the opportunity to improve.

*** Note: Special cases should be mentioned in the business meeting so that everyone could offer better solutions and lessons for others.

4.5 Survey

This survey was conducted by me under Nhat Nguyen's authorization, results of the survey were acquired through 100 random customers who came to Nhat Nguyen and 20 employees that worked there during my time of internship August, 2016.

The questionnaire for survey included 10 questions for the employees and 7 for the customers. Target of questionnaire is the internal and external environments affect the business.

4.5.1 Customer

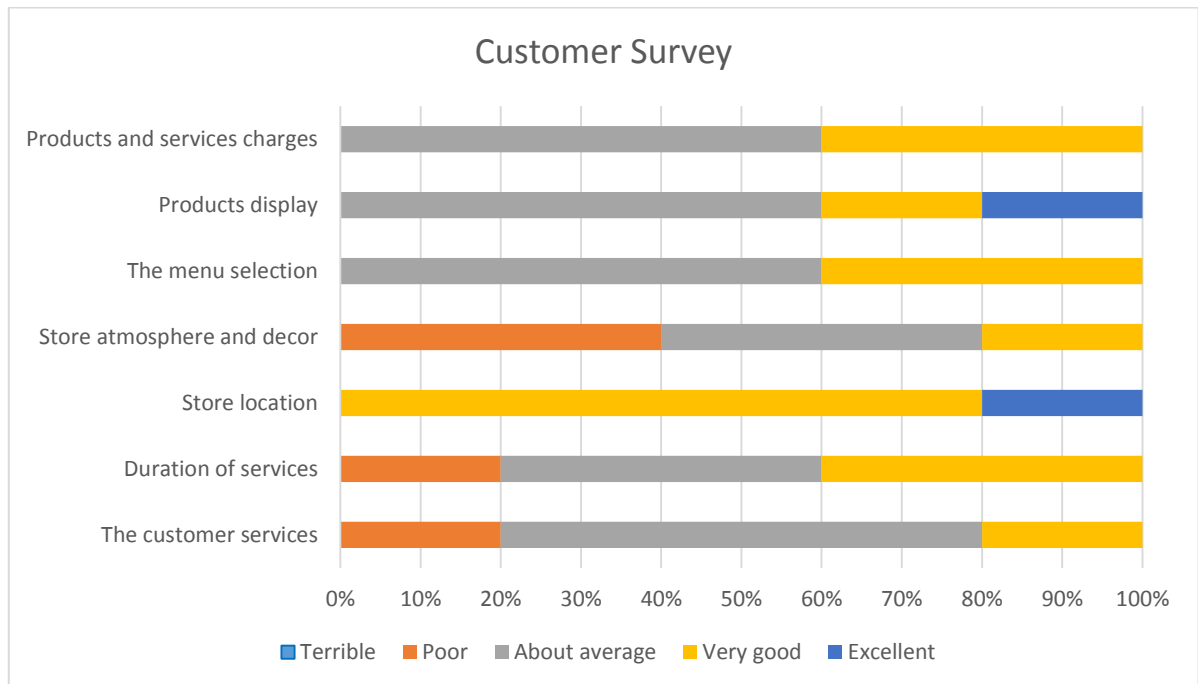


Table 6 Customer's survey

The survey took place for two weeks, with random 100 customers, the data that was collected are transformed into percentage(above). To measure their satisfaction and expectations. From there we can see the external elements that affect the business:

- The wide range of products including coffee, juice, soft drinks till food
- Located in a good location with a good view to the landscape of the city
- Founded long ago so the décor and atmosphere are foggy
- Due to the large number of products beside coffee, they required more time before the customer get served.
- Lack of management in some cases cause the un-satisfaction of many customers.

4.5.2 Employee

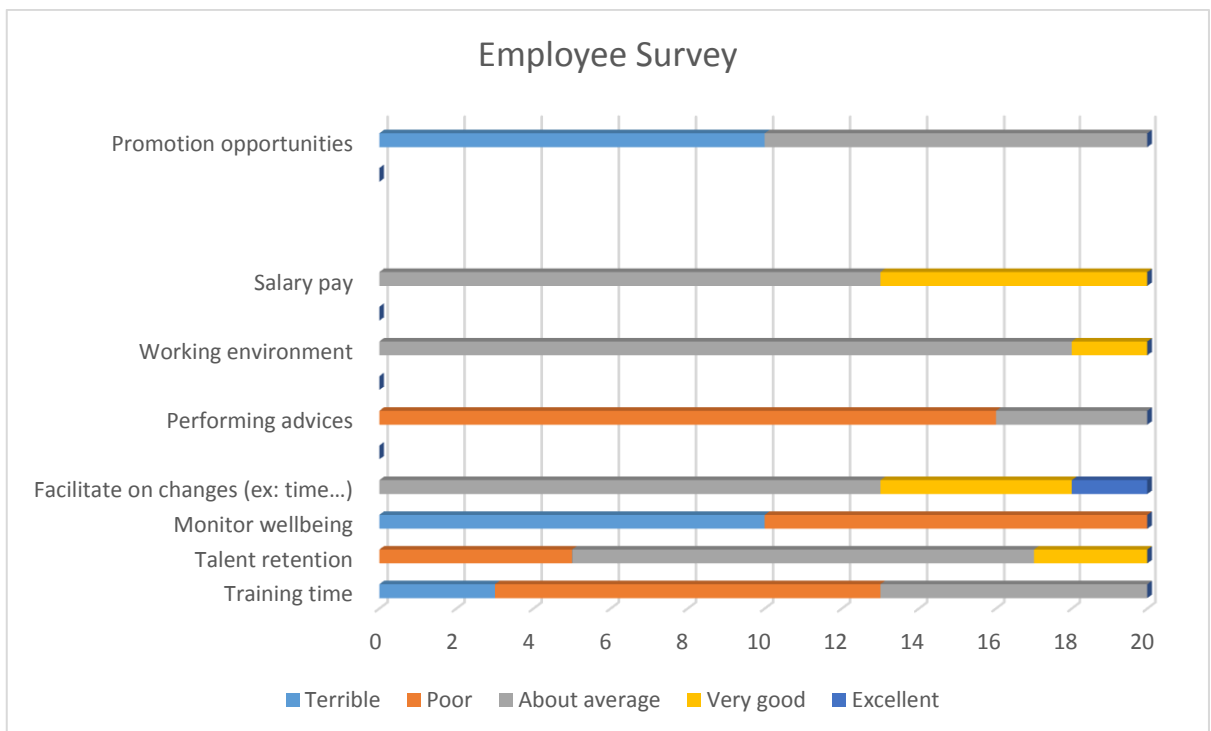


Table 7 Employees Survey

The employees survey was taking place in the store annual meeting between 20 employees that came to the meeting that day.

With this survey, we can see the internal elements that driven the business around:

- There is a friendly and open working environment where they can have a flexible time schedule
- There are no or a big lack of training to new employees, no clear direction to right or wrong
- Staff have more freedom in doing their own errands because there is no supervisor

- For those who had worked for the business in a long time, they are rarely recognized and promoted

4.6 Recommendation

For any one business building direction and business operations is extremely important. Because to carry out production and business activities in the future in the best way and the most effective, it must first carry out construction of strategic goals and directions for future activities. The effectiveness of business operations is high or low depending on the direction of the business is right or wrong.

In the process of inquiring information, Nhat Nguyen café bistro was built on a former restaurant, which was established in stage of the 90s. This is a new phase transformation from subsidized economy into a market economy with the management of the state so far since its establishment, the business has faced many difficulties due to small-scale operate, less capital while the market economy poses quite harsh requirements for enterprises. But along with the creative dynamic leadership and the efforts of all officers and employees, the business has gained many achievements on its way.

When established, the business is just like any other in the market economy, the main objective is to make profit. But besides profit targets, the business also has another goal that is resolved jobs for laborers. Thanks to that, the business added a huge advantage where the staffs were at very young age, dynamic and enthusiastic. It has become a huge driving force to promote the development of this business till now.

After more than two weeks of intern I had come up with some recommendation to improve the performance of the HRM in the business:

I. Orientation of the business's activities in the upcoming period

The business should also launch a number of directions in order to improve labor efficiency, thereby increasing labor productivity to achieve better business results as well.

- The average income: To ensure that officials assured employees produce quality business in the upcoming time, the business should raise the average incomes for workers. Expected in the coming years when the unpredictable of the world economy
- Reducing the payroll for the surplus labor with inefficient work.
- Improving the qualifications of staff as well as employees by the sending talented individuals to special training class or school to raise the level of work.

II. Assigned and labor layout

Through the above analysis we see the division of labor and the layout of Nhat Nguyen café bistro is not perfect. To improve it they should:

- Business should regularly organize tests to check the qualifications of staff and employees to discover those who are incapable or not consistent with the assigned work. From there the worker could be use more efficiency
- Because there is currently idle during some specific time of the day, the number of employees should be reducing during that time. The downsizing will make employees feel fresh, excited to work more, creating conditions for business operations of the business.
- Need to clearly define the work that each person must complete and their position in the labor collective.
- Must supervision and monitor the labor during their working period.

Further, add some addition to the work assignment for those who work for their longtime avoid boredom with the job and the business discovered the potential of their people and promote the possibility.

III. Create incentives for workers

Increased ability to work, labor productivity growth is the goal of managers and employers. So the construction of labor incentives created enthusiasm in work is an important task of human resource management. Measures must be built based on combining the harmony of the physical elements and mental workers.

To maximize the ability of employees to constantly improve the application of economic levers stimulating material benefits for employees in the business is a powerful tool to improve efficiency labor, makes employees more engaged with the business, devoted to the career, the immediate objective of the exercise, of the business.

- Physically stimulating

Physical stimulation is important in improving labor efficiency. Physical stimulation includes salaries, bonuses paid to employees to promote workers eager to work in order to achieve high efficiency.

Base on the average wages the business consider to employees. With such a salary in the current time might not meet the needs of employees, so the business must pay forms to suit

the actual conditions and the organization must wage make growth faster labor productivity growth rate of the average wage.

In addition, business should organize the implementation of annual wage up to employees. This has contributed to raise the skill levels of workers, require workers to regularly learn while improving basic salary for employees.

So the reward is based on the working capacity of the staff through business results. It's a huge impact on the psychology of employees, expressed the interest of the business leadership to employees, while promoting the employee to fulfill tasks in the most difficult situations. Besides, the business should also have strict penalties when officials and employees who violate the assigned work.

The implementation of reward and punishment regime will help the employees to work with a high sense of responsibility, work efficiency will therefore be higher.

But when applying this kind of note:

Must-regulation and develop a specific purpose and a clear payoff

Planning and accounting unit to record full and accurate payments, facilitates determining business results for each business and each contract.

- Mental stimulation

The form of mental stimulation often brings very unexpected effect. From the situation found out by the survey, there are some comments that business need to consider:

- Create atmosphere healthy work comfortably, avoid prolonged labor stressful for employees.
- Organizing meetings chat, exchange experiences, learn knowledge, discuss future work plan, etc. to improve the laborers working interest increases labor productivity.
- Need commendation praising some good workers mirror in front of all employees in the business for people to imitate.
- Business leaders need to integrate more people to create comfort to people, avoid inquisitive attitude, urging workers to make them bound leads to low labor productivity.
- Need to organize more picnics and team building program for the workers of the business to create a trust in each other as well as the business.

- Create a working environment where: the leader is always interested in health, the needs of the work of the employees, willing to listen to the feedback or criticism from the employees.

**Administrators need to know how to combine the two forms of encouragement is to achieve high efficiency.

IV. Construct a proper work and rest time

Functions and duties of administrators and staff is different as well as the nature of work of each part in the business. The indirect management department does not require a lot of strength and health but for the direct production labor, the physical problems and health is a very important factor determining the productivity of labor of the entire business.

Working regime and proper rest is a means to overcome the fatigue, as a measure to increase labor productivity. Business should implement measures to ensure the health of its employees:

- Always put psychological problems workers in the work leading to the division of labor, especially female workers.
- Ensure respite, sensible eating properly (as the business has organized lunch for employees so this problem should be very interested to mind).
- Encourage employees to increase productivity but does not mean forcing employees to work overtime, overtime issues for workers should voluntarily (if the business has the proper remuneration for labor work overtime, they will voluntarily do more with a good mood and so the labor productivity will increase significantly).

V. Make good recruitment

Over the years, the recruitment of the business has gradually developed, however there are still some weaknesses, such as business often recruit junior in the sector, or through acquaintances introduced, etc. so labor quality is not good. Therefore, in the coming time, the business should reorganize its recruitment practices, more objective should work with employers, who in line with the nature of work, capable of good quality, the priority review.

If recruited from outside the business can post notices or information on mass media to attract candidates. Business should organize thorough examinations and rigorous science.

When recruiting new employees to work, business can recruit through many stages to filter

out those who really fit the job requirements. The primary criterion of selection is the professional qualification examination and expertise of each object candidate. The Business may consider the following applicants: [10]

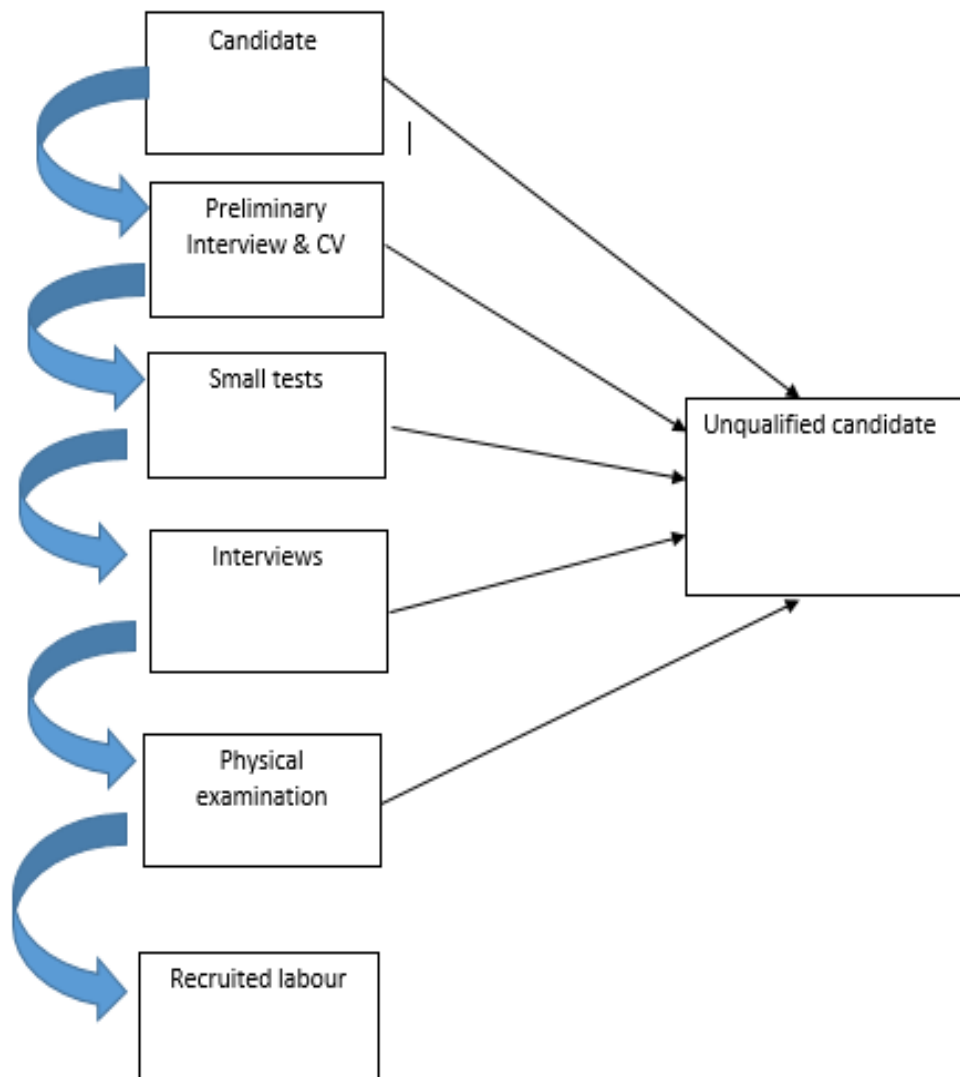


Table 8 Recruiting procedure

Selection process begins from preliminary interviews. At this stage, the candidate should be given an atmosphere of comfort that gives them a very good look of the business.

Application form can be compiled by the business, as design forms more scientific and detailed, the more save time to choose candidates. For difference position, they can prepare two or more different forms of application; this form can be issued to the applicant after a preliminary interview.

Small tests are regarding general knowledge, psychological tests, intelligence, personality, aptitude tests and qualifications, career interests, eventual professional test or a specific job.

The business should give an interview after carefully studied profiles of candidates. This approach enables the business to realize its potential as well as existing experience of each candidate while saving time and recruitment costs.

The last two phases of the medical examination and recruitment decisions.

Newly hired employees on business orientation program must have a new labor: Motivate, encourage employees done a good job to make the atmosphere comfortable work (to encourage new employees to participate the activities of the business), business leaders to exchange information and experience in work with new employees. This program helps new employees to quickly become familiar with the working environment, to shorten the learning time, rapidly rising labor productivity, shorten the time to integrate with the business.

VI. Strengthening labor discipline

There are many causes leading to violation of labor discipline, but mostly consciously abide by labor discipline is poor. The analysis of the causes will help the business devise useful measures to strengthen labor discipline.

Increasing popularity thoroughly understand the rules and regulations of the business on labor discipline among employees to make them understand and voluntarily agreed. To strengthen the inspection, detection and strictly sanction violations of labor discipline:

- When discovered any violations of labor discipline for the second time, the labor must force to leave their position

- Need to organize the voting of the title, the proposal reward ... for the exemplary staff of labor discipline.
- Apply educational measures to convince those who have violated labor discipline. If such measures are not effective for employee disciplinary violations or violations of labor discipline is severe enough, they must use coercive administrative measures.

The infringement case should be handled such as: quitting long days for no reason, causing property loss or theft of the business assets, with hostility to the main measure the business policy, create a violent environment or doubt among other, ...

Therefore, strengthen discipline, sending workers into the overall discipline could prevent bad situation that have a negative effect to the business also it may improve labor efficiency in the business.

VII. Bettering the evaluation of employees in the business

There are several methods to evaluate employee performance that business should apply:

- The scale method: According to this method, employee performance assessment is recorded on a scale. This scale is divided from 1 to 10, and determined by criteria such as excellent, average or poor. This method is popular because it is simple, rapid assessment.
- Ranked alternate method: Sort from the best to the worst based on to the attitudes to work or work results.
- Pairwise comparison method: Similar to alternate ranking method. This method lists the names of all who were evaluated, and compared each employee with all the other employees at the same time. However, this method is only effective when employees are evaluated group is relatively small.

The employee performance assessment helps business reward and timely discipline for its employees and encourage the spirit of the employees, enabling employees to strive themselves, mutual emulation makes motivating businesses to thrive.

VIII. Stepping up the training and retraining the employees in the business

The nature of the fierce competition in the market is probably increasing faster than the increase of the business. If the business wants to sell more goods than it must accept increasingly lower rates of quality. Intense competition of the market makes the business no longer able to catch up with the prices of raw materials.

On the other hand, one of the key factors contributing to increased business efficiency that labor efficiency. Therefore, in order to serve the problems, set out above it is necessary to improve labor efficiency.

The training solutions and retraining solutions the employees of the business will be costly for it but it involves the sustainable development of the business later. Therefore, the business can implement the following methods:

- Organize foreign club meeting between foreign customers and the staff so that they could get in touch with a multi cultivate knowledge and business experience.
- Deduct a certain amount from the reward fund and welfare or development funds to invest in training, improve employee annually.
- Next to the train-side, business need to combine policies promoted and promoted, the training to open their minds to opportunities for promotion, development and implementation of better jobs. development of the business later. When the level of awareness and professional expertise of the employees are not interested in regular training and process technology, even if the business has a modern and optimized to where still lagging behind the development of science and technology in the world.

5 Conclusion

Any function businesses, companies, organizations or firms out there in the market cannot be a strong empire without building a good team of working Human Resources. They are the key to open the door to success. Human Resource Management including many aspects like recruiting new employees, training them, building relationship, leading them toward success as well as motivating employees and much more.

The main objective is to create a comprehensive overview of the activities of the Human Resource Management function in the chosen business. To analyze HRM in that business by describe this business's basic working structure, can understand the strength of their HRM strategy. Point out its weakness and any possible ways to improve the quality of their HRM.

In the cause of industrialization and modernization of Vietnam today, science and technology bloom will help reduce the human resources. Such does not mean that people will no longer stand in production and business activities. Conversely people increasingly have great significance indispensable in the success of their production and business activities, without humans, even with modern machinery and it may also become senseless heap wealth sense.

With the study of many literatures from recommended authors, and famous philosophy ideas, the literature review is coming together as a base of how to empowered employees and in practical situation, why it's place an important role in determined the fate of the business when all the factors from outside and within are driven the business.

In the practical part of the thesis, the chosen business has been break down from the working structure, the products, to the most important element - the human resources. By using PEST analysis on the analyzed business, local competitors, who constantly update their game plan to keep up with the rivals from the East are threaten the business. SWOT analysis shown the advantage other competitors might have to cross the business out of the market.

After that, activities of the HRM were described based on internal information of the business and survey results that were conducted with the employees who worked there and random selected customers for the best statistical view.

The result showed that there are several problems in HRM that included the methods are misused by the manager. They are eating away the potential customers of this business.

Therefore, many suggestions were made and hoping it will benefit the business and help its HRM working more smoothly in the future.

However, trading in the market hard mechanism, the business owner should have paid more attention to help businesses develop further. About the business itself, building success from within first; it is the most important thing. Human resource management is the bridge helping each business reaching the step of success. It reflects the results of production and business activities. Management process is well organized will conducted a smoothly environment for other facilitates to fulfill their capabilities, to help the business stand in competition and bring in high profits.

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7 Appendix

7.1 Questionnaires for survey

7.1.1 Customer survey

Dear Customer(s):

On the behalf of the manager of Nhat Nguyen café bistro, I want to thank you for giving us the opportunity to serve you. Please help us serve you better by taking a couple of minutes to tell us about the services that you have received so far. We appreciate your satisfaction and want to make sure we meet your expectations. Attached, you will find a coupon with % of discount for the next time you join us. We hope that you will accept this as a token of our good will.

Sincerely,

	Terrible	Poor	About average	Very good	Excellent
The customer services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Duration of services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Store location	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Store atmosphere and decor	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The menu selection	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Products display	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Products and services charges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please describe if there was any particular aspect that we forgot to mention above:

Once again, thank you for your time and opinions to help us improve our products and services.

7.1.2 Employees survey

Dear fellow friends and worker(s):

I would like to ask for a few minutes of your time filling out my questionnaires, which serves only to analyze the topic in my practical part of the bachelor thesis. Due to your concern, these questionnaires are kept as an anonymous, therefore you can stay in "Undercover" :D! A big thank you in advance to all participants for the willingness and cooperation! :)

Sincerely,

No		Nothing	Easy	Basic	Hard	Very hard
1	Entrance requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Terrible	Poor	About average	Very good	Excellent
2	Training time	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3	Talent retention	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4	Monitor wellbeing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5	Facilitate on changes (ex: time...)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Never	Sometimes	Very often	Usually	Always
6	Performing advices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Terrible	Stressful	Friendly	Great	Perfect
7	Working environment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Very cheap	Cheap	Average	High	Very high
8	Salary pay	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	Day of payment: 5 th of each month	Very long (>4 weeks late)	Long (2-4 weeks late)	On time	Soon (5 days early)	Very soon (>5 days early)
9	Salary payout hold up	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Never	Easy	On occasion	Hard	Very hard
10	Promotion opportunities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

In your opinions, what's wrong with the company's management?

