



Original Article

Current Situation and Recommendations for Promoting Employee Commendation in Enterprises in Vietnam

Pham Thu Thuy*

Central Committee on Emulation and Commendation,

No. 151 Thuy Khue Street, Thuy Khue Ward, Tay Ho District, Hanoi, Vietnam

Received 04 November 2021

Revised 10 December 2021; Accepted 25 December 2021

Abstract: Human resource development plays a key role for every business. In human resource attraction and development policies, commendation is regarded by enterprises as an effective measure for encouraging employees to dedicate themselves to work. This paper analyzes the significance and practices of commendation in Vietnamese enterprises and then proposes some solutions for the enterprises to strengthen commendation for employees.

Keywords: Employees, organizations, enterprises, commendation.

1. Introduction

Studies on human resource development have touched various issues such as capacity building, attraction and joint ventures in technology transfer to improve the quality of human resources. Specifically, the issue of commendation included in policies on human resource attraction and usage in Vietnamese enterprises in the context of integration, technology development, and natural factors such as diseases and the environment were analyzed. The analyses concentrates on commendation-associated impacts for the development of enterprises, changes in

perspectives and policies on emulation, and commendations that enterprises have made. Based on that, several solutions on commendation are proposed for Vietnamese enterprises to improve productivity by creating a motivating working environment for employees.

2. Overview and data sources

In Vietnam, commendation has been mentioned in various documents on emulation and commendation. Commendation should be interpreted as the official recognition of an individual or a group for a significant

* Corresponding author

E-mail address: phamthuthuytdkt@gmail.com

<https://doi.org/10.25073/2588-1108/vnueab.4709>

achievement or contribution. Generally, commendation is one form of encouragement for an individual and/or a group's dedication or outstanding performance.

Commendation is currently defined in the Law on Emulation - Commendation 2013, Clause 2, Article 3 as: "*Commendation is the recognition, praise, honoring of merits and encouragement with material benefits to the individuals and groups gaining achievements in national construction and defense*" [1], accordingly, commendation is implemented in many fields, aspects, and levels of the social life, in operations of state agencies of the public sector, and in production and business activities of the private sector. There are also forms and policies of commendation for overseas Vietnamese, external relationships, and foreigners working and living in Vietnam when making meritorious achievements and contributions worthy of commendation.

Employee commendation in enterprises has been approached differently. At the macro level, commendation is observed in the Party's viewpoints, guidelines, policies, and laws on employees. At the micro-level, commendation is seen in human resource-related activities and needs, operations, forms, and results of commendation that employees are eligible to in an enterprise.

By analyzing commendation practices carried out by and in enterprises, the author is to propose some feasible solutions for enterprises to promote the commendation, thereby contributing to improving the position, role, and prestige of the enterprises in the current context of integration.

Data for this analysis came from secondary sources. We used the overview method to search for commendation-related materials, employee commendation in enterprises, and employee commendation policies and their effectiveness. This method helped the author gain a good understanding of employee commendation in enterprises such as what is the annual level of commendation, what is the annual rate of commendation, what are gender-related factors

in commendation, what are forms of commendation, what are conditions for commendation, how is the replication of advanced examples carried out, and how social values of commendation are introduced by and within enterprises.

In addition, we analyzed available data from the reports of 63 provinces and cities nationwide on employee commendation, including the rewarding data for employees in enterprises. This has served as the basis for assessing the current situation of employee commendation in enterprises in Vietnam.

We also used available data of ministries, ministerial-level agencies and the Vietnam President's office regarding employee commendation in 2017, 2018, and 2019, including the reward data in enterprises, which serves as an important basis for evaluating rewarding levels and rates in enterprises in Vietnam.

Finally, we quantified secondary materials to synthesize individual commendation decisions in 2020 made by the Central Emulation and Commendation Authority and encoded personal information. We developed variables obtained from the reward decisions in 2020 to analyze gender, age, occupation and rewards of the employees who were rewarded in 2020 in Viet Nam. Thereby, we found cultural and social characteristics, and rates of employee commendation in enterprises, and the issues relating to employees who are subjects to commendation. In total, we found 3,989 rewarding decisions, corresponding to 3,989 cases. However, the reward decisions were made in 2020 only, so information such as level, frequency, process, and methods that enterprises used to award employee commendation was not shown. Therefore, the author used additional parameters—data from reports made by ministries, ministerial-level agencies, and localities for her analysis.

In addition, experts were interviewed to learn about their practical experience in commendation, their ideas, and policy recommendations for employee commendation in enterprises to increase

the reliability and practicality of the solutions proposed by the author.

3. Role and policy for employee commendation

Commendation is highly essential for the management of human resources. Firstly, commendation is one of the criteria for employee evaluation. In the evaluation of an employee's performance, he/she is assessed for whatever commendation he/she has gained. This evaluation then contributes to a higher level of commendation for the individual employee. Secondly, commendation is a criterion to attract human resources. The working history of an individual employee, including his/her commendation, can be used as a criterion to evaluate the quality of that employee. Through the commendation, the enterprises can assess how appropriate the employee is so they can decide how to use him/her. Thirdly, commendation is regarded as a motivation for an increase in productivity. A commendation may be offered to an individual employee after evaluating his/her performance over a certain period of time. To be eligible for commendation, an individual employee or a group of employees must indicate outstanding evidence in all aspects of commendation criteria, especially the ones relating to labor productivity. Fourthly, commendation is seen as the motivation that regenerates labor. Rewards often bring about certain material values such as bonuses, vacations, or some other kind of advantage. Commendation helps employees regenerate their labor so that the working process takes place continuously and efficiently. Fifthly, commendation has a highly social role. It plays an active role in helping society become healthy and positive. Reward helps employees recognize their strengths and weaknesses and to know their capacity to promote and contribute to ensure fairness and civilization in society.

Policies on employee commendation have received great attention from the Party and the State, and have been stipulated in legal

documents. Commendation is an effective measure to “*create an attractive motivation for and encourage all individuals and groups to promote patriotic traditions... to complete all the assigned tasks*” [1, p. 1]. For enterprises, prompt commendation for employees is considered as an important incentive solution to create positive motivation for employees, helping them enhance labor productivity. A strong enterprise with an abundant labor resource that is skillful, intelligent, creative, and professional will contribute positively to its revenue and profit. Therefore, apart from policies such as appointing employees to attend high-skill training courses, organizing study tours for workers to visit manufacturers and businesses with modern infrastructure to learn experiences, and adopting preferential salary regimes and providing stable accommodation etc., enterprises should reward employees timely for their achievements.

Employee commendation was stipulated in the Government's Decree on the principle of commendation, specifically: “Focusing on rewarding small groups and individuals as laborers, producers, students, and employees who directly involve in working, studying, fighting or serving in combat” [2, p 1]. Therefore, employee commendation has been regarded as an important measure to encourage and enhance the spirit of employees as well as to create and widely introduce good examples in society, thereby contributing to developing businesses and building the country in the period of integration.

4. Actual situation of employee commendation

Vietnam's policies and regulations clearly emphasize the importance of rewarding employees in enterprises. Along with movements of patriotic emulation, enthusiastic production in enterprises, rewards associated with emulation are highly important, being a driver to boost the development of an enterprise. However, for years, employee commendation in enterprises in Vietnam has been under-expected.

According to Conclusion No. 83-KL/TW dated August 30, 2010, of the Party Secretariat, it said: *“More rewards were offered to managerial staff and leaders, few for employees directly participating in the production.”* The annual percentage of employees who are rewarded by enterprises is lower than that of unit leaders, groups/teams of production, and enterprise management.

In many cases, the achievements of an enterprise were recognized thanks to the dedication and initiative of its employees. Unfortunately, the individual employees who had unexpected achievements, dedication, initiatives that benefit the enterprise were not recognized for a reward. Instead, a reward was proposed for the enterprise as a group. The fact that individuals were not rewarded for their achievements and initiatives but his/her group was, caused dissatisfaction from the side of employees. In many situations, employees even held no intention to stay long in the job and we're not mindful of the development of the enterprise.

According to reports, the number of rewards which have been offered to employees working in enterprises accounts for just a small proportion out of the total rewards. Specifically:

In 2017, the Central Committee of Emulation and Commendation appraised and submitted to the Prime Minister and the State President to issue commendation decisions for 82,944 cases, including the annual rewards for 49,287 cases in the armed forces (59.42%), 14,283 cases in the resistance war achievements (17.22%), 5,044 cases in dedication (6.08%), 138 cases in foreign affairs (0.17%), 14,192 cases in performing socio-economic development tasks (17.11%), 2,323 cases in thematic and un-expected rewards (2.8%), and only 1,472 cases for those who were workers, farmers and direct staff (accounting for 21% of the total number of individuals rewarded for socio-economic development) [3].

In 2018, the Prime Minister and the State President rewarded 55,463 cases, including 29,481 annually commended cases in the armed forces (53.15%), 8,351 cases in the resistance

war achievements (15.06%), 2,161 cases in dedication (0.27%), and 15,320 cases in performing socio-economic development tasks (27.6%). Among the individuals rewarded for socio-economic development tasks, the percentage of thematic, unexpected commendation was over 1.2% and that of workers, farmers, and direct staff accounted for more than 21% of the total number of individuals rewarded for socio-economic development tasks [4].

In 2019, the Prime Minister and the State President rewarded 110,435 cases including 70,327 annually rewarded cases in the armed forces (63.68%), 22,924 cases in resistance war achievements (20.76%), 3,831 cases in dedication commendations (3.47%), 840 cases in foreign affairs (0.76%) and 12,513 cases in performing socio-economic development tasks, in which the number of thematic, unexpected cases rewarded accounts for only 9.79%. Among the aforementioned cases, there were 3,128 direct staff, accounting for 25% of the total number of individuals rewarded for performing socio-economic development tasks [5].

According to the data analysis of 3,989 rewarded cases [4] in Vietnam in 2020, it is indicated that the number of employees out of the total of individuals receiving commendation is not high; specifically, only 689 out of 3,989, accounting for 17.27% [6]. This rate indicates the fact that through commendation policies, legal documents were already issued stipulating principles in commendation, in which commendation for small groups, individuals and employees with outstanding achievements in work, the study emphasized. In practice, however, the rate of rewarded employees is very small out of the total number of rewarded cases.

In the same year, the proportion of rewarded heads (i.e.: department heads, unit heads, directors, division heads, department directors, etc.) working in state agencies, organizations, enterprises, and manufacturing/business establishments was 1,913 cases out of the total of 3,989, accounting for 48%. The rate of rewarded deputies (department deputies, unit

deputies, division deputies, deputy directors, department deputy directors, etc...) was 1,387 out of 3,989 individuals, accounting for 35%. This shows a big gap between the rate of employees who were rewarded and that of rewarded individuals who hold a certain position and have an allowance that is higher. In other

words, the rate of rewarded employees is rather low while that of the management is high. The rewarded cases are dominated by individuals who hold leadership positions, have a better working environment, have a better working condition, and have more preferences to complete assigned tasks. Specifically:

Table 1: The rate of rewarded employees in 2020

With a leadership title/ without a leadership title	The total number of rewarded cases	Rate (%)
Heads	1,913	48%
Deputy heads	1,387	35%
Employees	689	17%
Total	3,989	100%

Source: The Central Committee on Emulation and Commendation.

Among 3,989 rewarded cases in 2020, as shown in the above table, it can be seen that most rewarded individuals are working in state agencies and units (in the public sector), while

the rewarded rate of others who are workers, farmers, etc., is quite low, accounting for a small number compared to the total number of rewarded cases in the same year. Specifically:

Table 2: The rate of rewarded employees in sectors

Total of rewarded employees	In the public sector		In enterprises		Associations		Citizens	
	Cases	Rate	Cases	Rate	Cases	Rate	Cases	Rate
689	527	76.5%	31	4.5%	18	2.6%	113	16.4%

Source: Central Committee on Emulation and Commendation.

5. Solutions to promote employee commendation

Firstly, strengthening leadership and directives of the implementation of the commendation policy for employees with outstanding achievements in enterprises

Employees are decisive for an enterprise's productivity, quality, and profit. Therefore, its policies, incentives, remuneration, and especially timely rewarding for employees with excellent achievements should be paid close attention. Timely rewarding for employees is a measure to stimulate their commitment to work. Rewarding the right employees for the right job,

therefore, is significantly essential to motivate employees and build their trust in the enterprise.

Enterprise leaders need to raise awareness of the importance of commendation. They therefore should implement various types of staff motivation. Egalitarianism should be avoided as much as possible. The fact that employees with poor quality work enjoy the same treatment and success as those with good quality work may cause upsetting and even result in motivation losses in employees with good performance. Therefore, it is necessary and important to timely reward employees who are excellent, have initiative to improve their work, apply distinctive rewards, and fine, thereby

leading to a more exciting, reliable, and effective working environment in enterprises.

Secondly, enhancing the current legal framework on employee commendation in enterprises

Though it has been stipulated in under-law guiding documents on employee commendation, the implementation of legal provisions needs a lot of improvement. In many practical cases, legal amendments regarding employee commendation in enterprises should be made. Employee commendation processes and procedures should be adjusted, ensuring the simplification of documents and reports to be submitted to competent authorities for commendation consideration because of time and cost consumption. Procedures for employees who are eligible for high-level rewards such as the Labor Order should be simplified, too. Procedures for labor medals or other forms of commendation should be shortened and simplified to suit the nature and subjects for reward.

According to regulations, the application of rewards includes a variety of papers such as a commendation proposal document, an individual achievement report, a commendation reviewing minutes, certificates of competent agencies on inventions, innovations, applications of scientific and technological advances, or creation, etc. However, it is a highly time-consuming process for employees to prepare such an application. Therefore, it is necessary to take into account the specificity and flexibility of the rewarding application. In addition, it is important to be clear and specific when identifying employees for commendation, ensuring consistency between recipients and forms of commendation, closely combining spiritual encouragement with financial incentives, thus ensuring gender equality. Regardless whether the workers are male or female, all have an equal right and treatment in consideration of achievements for rewards.

Thirdly, proposing appropriate financial benefits when implementing employee commendation in enterprises

Along with honoring and praising employees with commendable achievements, it is necessary to provide them with financial benefits. The principle of commendation must ensure timeliness and accuracy, but also needs to be fair and follow regulations. Therefore, forms of financial incentives for employees corresponding to titles also need to be clarified and consistent with regulations. Commendation refers to exceptional and extraordinary achievement and honor and therefore it should not be conducted without discrimination and basis, but requires specific standards and criteria. Specifically, for forms of employee commendation, legal provisions should stipulate financial benefits that employees would receive along with commendation. This is an important legal basis for employees to be aware of benefits that come along when being honored, creating belief and motivation for them to strive for excellence, to commit to the development of their enterprise.

Fourthly, detecting and replicating exemplary employees to widespread inspiration, continuing to reward employees to strive for excellence, contributing to the development of their enterprises, to increase revenue and profit

Apart from rewarding the right employees for the right jobs, the identification and replication of exemplary employees, motivation, and encouragement for employees to work effectively should receive good attention from enterprises.

It is necessary to replicate exemplary workers to create a widespread spillover effect in a community, to set exemplary employees with outstanding achievements to promptly honor their contributions to the community. The replication of exemplary workers must be carried out at the grassroots level and requires synchronous coordination at the four stages of discovering, fostering, analyzing, and replicating exemplary workers. To diversify and replicate exemplary workers, enterprises need to propagate commendation policies—especially the State's policy on employee commendation—so that they are aware of the accurate information. In addition, enterprises must

coordinate well with media agencies and the press to promptly and properly introduce rewarded employees, thereby honoring and motivating other individuals and organizations in society to learn from those examples.

Fifthly, creating a favorable working environment for employees to voluntarily strive and make achievements at work

The working environment in enterprises should be paid attention to enhance and gradually create a corporate culture. As long as a transparent working environment and specific commendation criteria are set forth, it will create trust and voluntariness for employees to excel at work and generate high labor productivity. Enterprise leaders, therefore, need to objectively evaluate individual employees' performance for appropriate forms of commendation, ensuring that the rewarded employees are truly outstanding individuals. Material benefits or other forms of rewards all can generate spiritual encouragement, therefore creating a healthy working environment and improving an enterprise's business opportunities and revenue.

6. Conclusions

Though the Party's policy and the State's legal documents have indicated the issue of employee commendation, they are quite general, just setting orientation, and lacking specific regulations and criteria for employee commendation in enterprises when they make outstanding achievements. Therefore, to implement policies on employee commendation in enterprises, it is important to have specific, appropriate guiding documents which serve as a fully legal basis for the implementation of the policy.

To focus on rewarding employees in enterprises, it is important to recognize the principle of commendation, that is employees who have excellent contributions, generating revenue for the enterprise, contributing to

releasing employee's energy, improving production and business capacity should be deservedly rewarded. Business owners must be innovative in implementing the employee commendation policy. The legal framework for the implementation of the employee commendation policy should be improved so the policy will be synchronously carried out.

On the part of employees, it is also necessary for them to have a change in their perception of their rights to rewards and actively learn the regulations and policies on benefits and rewards to propose in commendation cases. The good example of individual employees who are rewarded in the enterprise should be widely introduced so that more individuals will be deservedly rewarded. Enterprises, in their process of growth in the market, need to focus on employees, because they are the ones who directly create labor efficiency and increase business revenue, contributing to building the enterprise's sustainable development in the current context of national economic integration.

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