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Vietnam



Culture, History, and why expanding to it is a great idea

Vietnam - Table of Contents

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0. Vietnam

Việt Nam

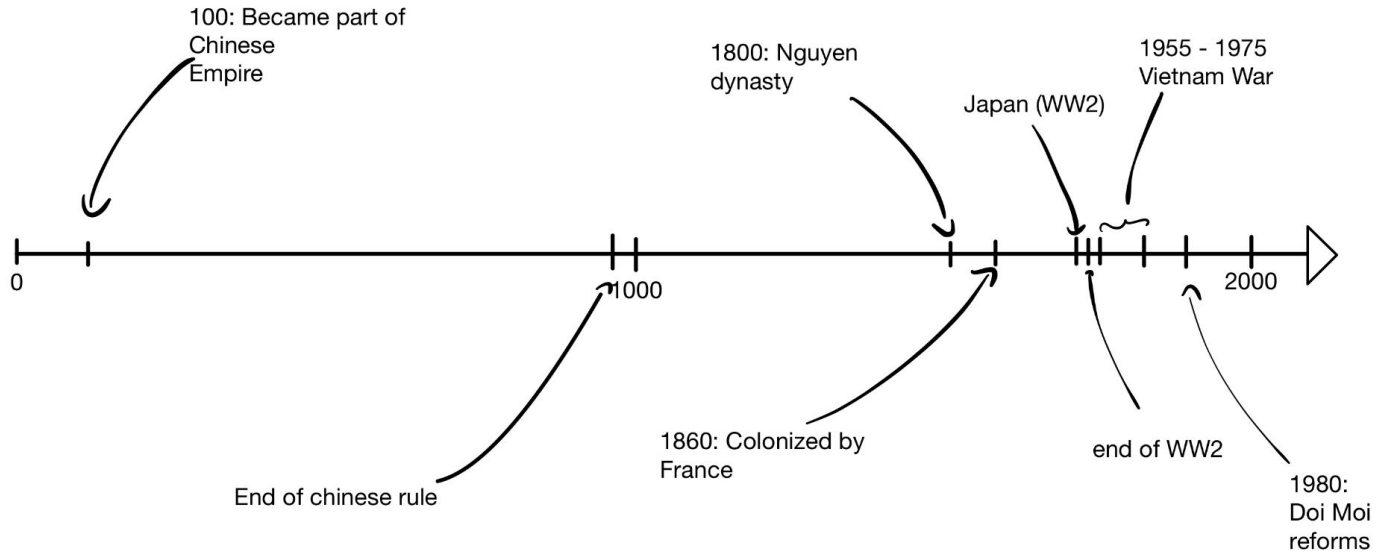
Việt: “outsiders”

Nam: “South”

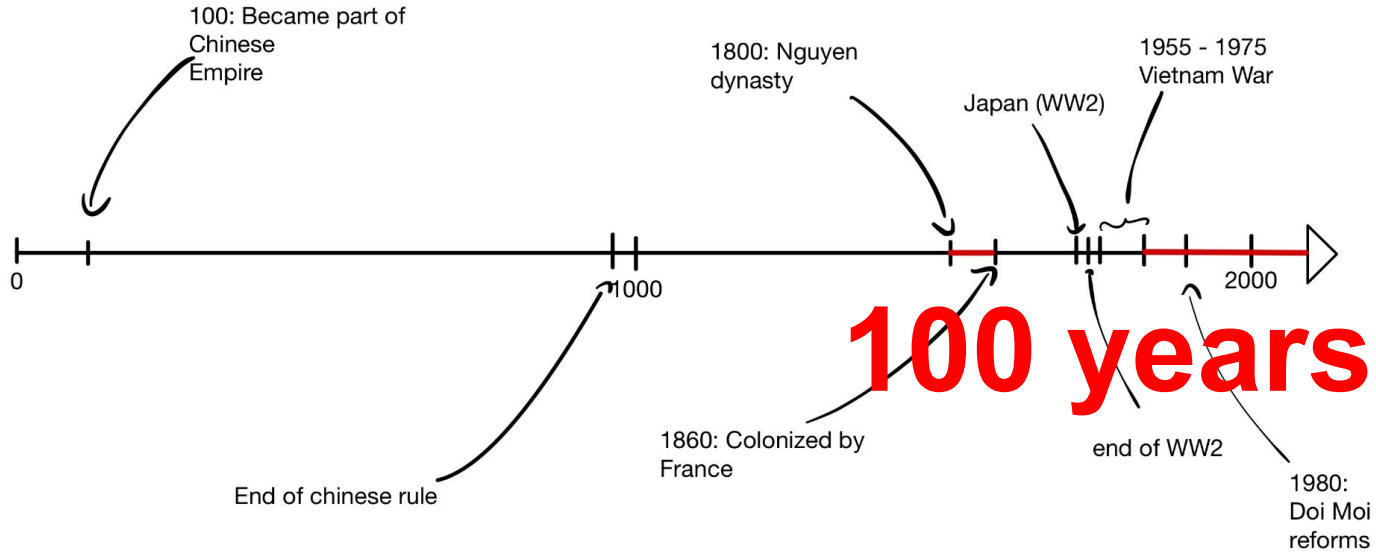
⇒ “Southern Outsiders”



1. Vietnam - History



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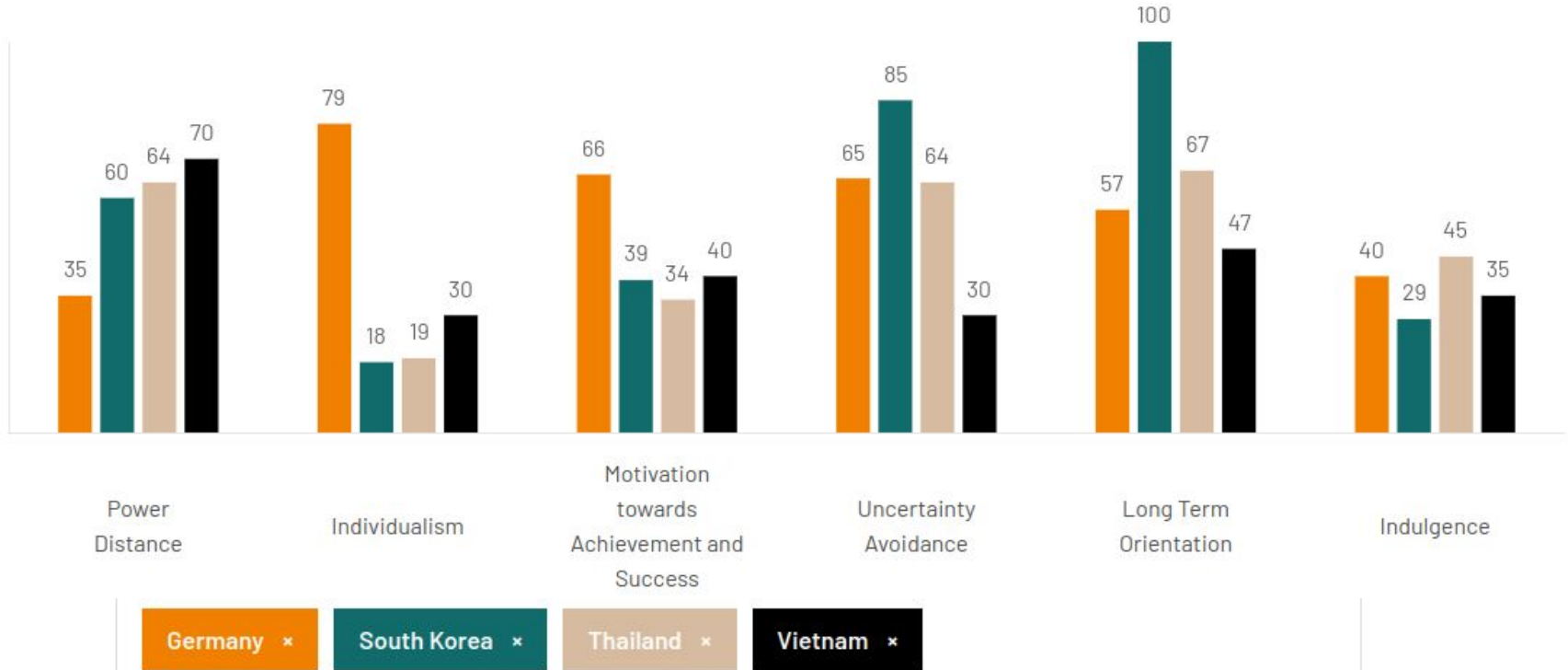


2. Vietnam - Economy

- Socialist government
→ Planned Economy
- 1986: *Đổi Mới* Reforms:
 - Aims: Boost efficiency, attract foreign investors
 - Introduced aspects typical for Free Markets
- Liberalized Trade
- Dismantled most State-Owned Enterprises
- State still intervenes in strategic sectors (e.g. power, agriculture)
- Massive Success: GDP per capita increased by 360% (2002-2022)

⇒ reminiscent of German Free Market model

3.1. Vietnam - Culture: Hofstede

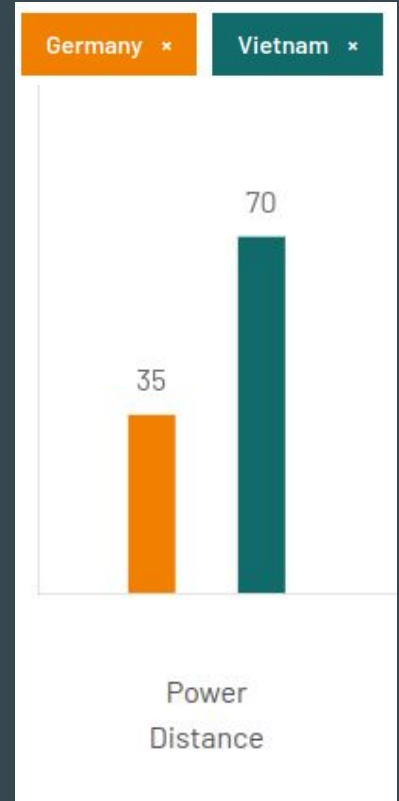


3.1 Hofstede: Power Distance

- Strongly hierarchical society
- Concept of 'Leaders'
- Language filled with respectful formalities
- Age plays important role in society:
 - Hierarchical family structures
 - Strict education system, students are expected to respect elders

⇒ Employees likely to respect superiors + follow instructions

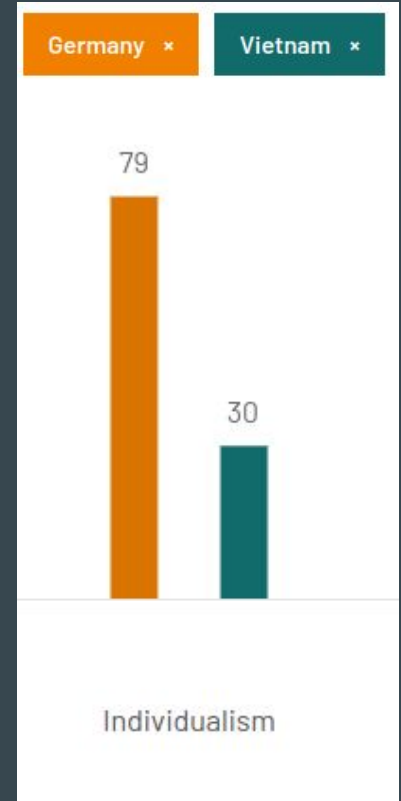
⇒ Easy to migrate existing processes



3.1 Hofstede: Individualism

- Collectivist Society
- Society seen as “one whole, functioning organism”
- Ties in with Socialist ideology

⇒ Decisions might require longer discussions and compromises
⇒ Once decision established → realization usually quick



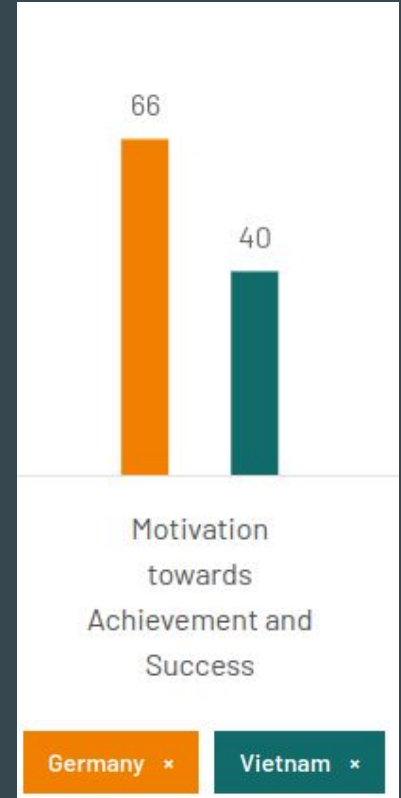
3.1 Hofstede: Motivation towards Achievement and Success

- Society *generally* not driven by competition
- Instead: “work-to-live” mentality

However:

- Strict and competitive education system

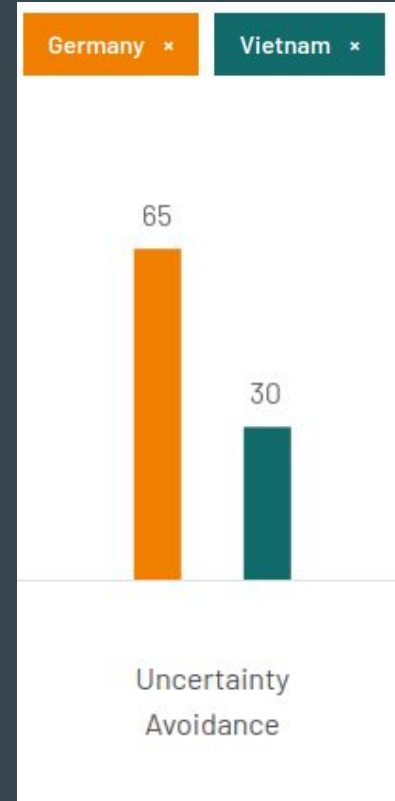
⇒ Employees unlikely to be driven by motivation of promotion
⇒ Potentially healthier workspace climate



3.1 Hofstede: Uncertainty Avoidance

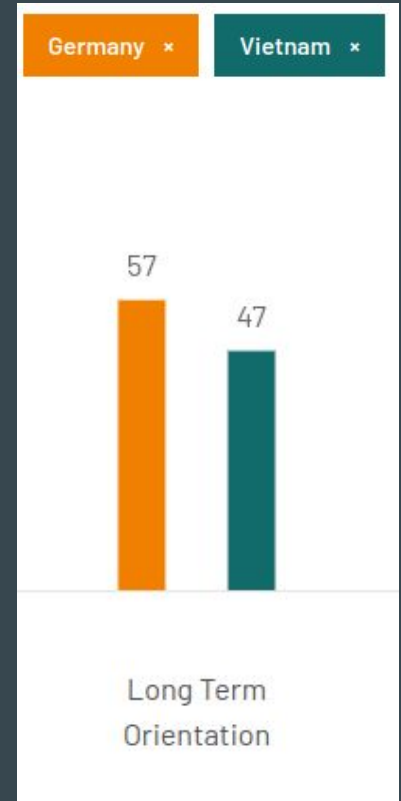
- “Relaxed” attitude towards rules and principles
- “Go-With-The-Flow” mentality
 - E.g. spontaneously switching jobs
- General openness towards “new things”

⇒ Potentially frequent personnel changes



3.1 Hofstede: Long-Term Orientation

- 47 (neutral)
- High value placed on tradition:
 - Bàn Thờ



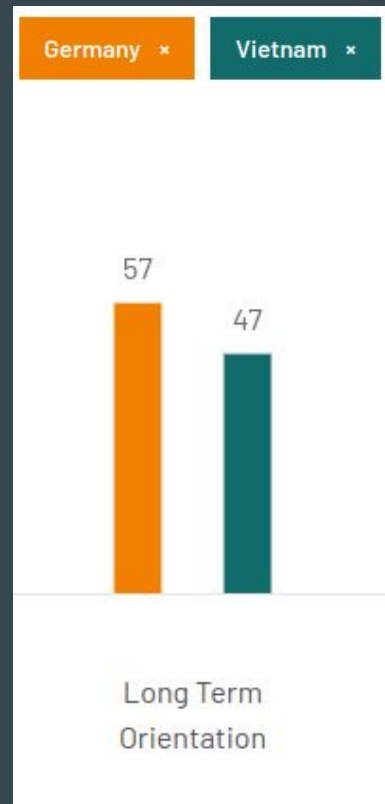
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3.1 Hofstede: Long-Term Orientation

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- High value placed on tradition:
 - Bàn Thờ: Shrines to worship ancestors
- High expectations placed on children/students
- Also adaptive to modern ideas
 - No legal actions against LGBTQ



3.2 Vietnam - Gender Roles

- Strict, traditional gender roles
- “Off-the-shelf patriarchy”
 - Oldest male “head of family”
 - Men work + supply family
 - Women “serve” men + take care of e.g. chores
- Children exposed early on:
 - In education
 - In families

4) Key Takeaways for Subsidiary

- Unique Economic Environment
 - Socialism x Free Market
- Booming Economy
- Located close to China
- Strong Hierarchical System
 - ideally: Transfer some existing Managers to Subsidiary
- Collectivist Society
- Mix between High Expectations and Low MAS score
- Mix of Tradition and Modernism

⇒ Lots of Complements/Contradictions

⇒ Lots of Challenges, but also Chances

5) A less analytical take on Vietnamese culture

- Rich cuisine
- Many traditional festivals
- Historical sights
- Generally welcoming folk



Vietnamese dishes



Hoi An Lantern Festival

AND, OF COURSE ...



Sources

Information:

- Hanh, my girlfriend 🥰
- Notes from my History Lessons
- <https://www.hofstede-insights.com/country-comparison-tool?countries=germany%2Cvietnam> (09.01.24)
- <https://www.linkedin.com/pulse/hofstede-peek-vietnams-business-culture-bj%C3%B6rn-koslowski> (09.01.24)

Images: (alle 09.01.24)

- Time beam: Own drawing
- Hofstede Diagrams: <https://www.hofstede-insights.com/country-comparison-tool?countries=germany%2Cvietnam>
- <https://www.google.com/url?sa=i&url=https%3A%2F%2Fwww.webjet.co.nz%2Ftravel%2Farts-culture%2Fvietnam-festivals-and-celebrations%2F&psig=AOvVaw2YBF9zTXzhmTN-NoeAcAF1&ust=1704921266390000&source=images&cd=vfe&opi=89978449&ved=0CBMQjRxqFwoTCJj0wumc0YMDFOAAAAAdAAAAABAV>
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- <https://cdn.britannica.com/41/4041-050-BB4577F8/Flag-Vietnam.jpg>

Structure:

- chatGPT (list of prompts on following pages)



Hanh

chatGPT Prompts

1) Pretend you are an employee in a decently sized company, located in Germany. The company is expanding rapidly, and one of the countries it is expanding to is Vietnam.

The company of course has to transfer some of its already existing employees to the new location, and your job is to recruit some of those. To do this, you're given 10 minutes to do a presentation about Vietnam for all of your co-workers. Your Presentation should lay focus on Vietnam's culture. Describe what people coming from Germany should be aware of, what is different and of course, since you're trying to recruit people, why it is attractive to live and work there. As a part of this, you should incorporate Hofstede's 6 cultural dimensions. Make use of the online comparison tool and compare Vietnam to Germany. Also consider the country's language and what is special about it.

However you think that only covering culture is a bit boring. Since Vietnam has a very interesting History, you also want to briefly go over this history and maybe use this history to try and explain why certain aspects of the country's culture may be that way.

Also, there also will be some higher managers attending your presentation, since they too are interested in the country. They will want to know a bit about the more business-related side of the country. As you know, Vietnam primarily is a socialist republic, with its economy being a weird mix of planned economy and free market. So you also should incorporate this aspect in your presentation.

With all this being said, you now have a pretty clear picture of what needs to go into the 10 minute presentation content-wise. So you start by creating an outline for the presentation. You need to find interesting aspects you can mention for each topic and then structure them in a way that makes for a coherent presentation. Your initial concept consists of a content overview for each slide, containing information on what aspect will be covered in the slide.

chatGPT Prompts

2) You are quite satisfied with this outline, but to be sure you show it to a friend of yours and ask him about his opinion. He too likes your approach, but suggests the following changes:

- He thinks the presentation would flow better if you moved the aspect of the economy directly after the history, because you've just introduced the socialist history of the country.

- He is well-versed in Hofstede's dimensions and notes that you forgot to mention the 2 newly added dimensions, "Long Term Orientation" and "Indulgence". He suggests you cover them in one slide together.

- He also mentions that the Masculinity vs Femininity point is a valid point to cover, however not what is meant by Hofstede's "MAS" dimension (which stands for "Motivation towards Achievement and Success"). He suggests you move the slide with the gender roles to after your coverage of the cultural dimensions and insert a new slide _actually_ covering the "MAS" dimension.

You think this feedback is valid and adjust your outline accordingly.

chatGPT Prompts

3) Tell me a bit about the vietnamese economic system. Focus especially on the unique constellation of the country having a socialist leadership, but through reforms in the 80's adopted a system more closely resembling the free market economy of western countries. Highlight key points which those reforms addressed, and outline how the current state of the economy has similarities with the western free market, and how it differs from it.

4) Give me aspects, along with a quick explanation, about why it would be attractive for someone to move to vietnam