

THE DEVELOPMENT OF BUSINESS EDUCATION AND THE MBA IN VIETNAM *

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Introduction

The MBA, as is well known, emerged in the US in the late nineteenth century, largely to educate engineers and other technical professionals for the world of business. Much has been written about the evolution of the MBA, and periodically it has been criticised as outmoded or as failing in one or other aspect. Certainly, the teaching of business ethics has not been a strong point of MBA programmes historically and this has come into sharp focus in recent years, particularly in the context of the global financial crisis. For the present purposes what is of most interest is the spread of MBA programmes in the last three decades, especially into developing countries such as Vietnam. Here the development of the MBA occurred in the context of the development of business education more generally and it is inseparable from the arrested development of the country, which stems not only from the legacy of the ‘American War’ but also the influence of colonial occupation by the French. Following the reunification of the country, the higher education sector has developed rapidly with business education at the forefront.

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The political economy of higher education in Vietnam

Vietnam is a long narrow country of 331,211 square kilometres and in 2012 had a population of around 91.5 million people. The country is noted for its young population with over 25% under the age of 25 years and a median age of 27.8 years (Index Mundi 2013). Over time, Vietnam has made progress in improving basic education statistics such as years of schooling per person but it remains behind the average for the region (United Nations Development Programme 2011). While literacy is high (92.8%), comparatively, the average years of schooling are relatively low at 10.1 years

As with many other Asian societies, the Vietnamese have traditionally placed a high value on education. Writing on the emergence of privatised higher education, Pham and Fry (2002) describe Vietnam's long tradition of higher education as stemming from the operation of the Temple of Literature, the oldest recorded higher education institution in South East Asia responsible for providing moral education and training to the sons of dignitaries. Later, the French introduced vocational colleges in fields such as pharmacy, pedagogy, agriculture, and engineering. With the division of the country into North and South between 1945 and 1975 two separate higher education systems emerged with the North modelled on the Soviet education system and the South continuing to be based on the French colonial model, later becoming subject to strong US influence (Welch 2011). The two systems were unified in 1975 following the collapse of the US-backed regime in the South at which time there were 51 universities and 56,000 students in the North and 18 universities with 116,500 students in the South (Pham & Fry 2002).

A key challenge in modernising the higher education system in Vietnam is the legacy of neglect stemming from the period of French colonial rule from the latter part of the nineteenth century and then retarded by the importation of the Soviet model following the communist victory in the North in 1945. Compared with other colonial powers, the French invested little in higher education and so Vietnam 'missed the wave of institutional innovation in higher education that swept across much of Asia during the early 20th century, a time when many of the region's leading institutions of higher learning were established' (Vallely &

Wilkinson 2008: 3). Consequently, Vietnam had poor foundations on which to build a modern education system and with the communist victory, first in the North and three decades later in the South, subordination of all aspects of education to the direction of the state through the party served to entrench centralised control and rigidity both in terms of educational administration and the development of curricula and teaching methods. Widespread corruption has further hampered efforts at educational reform and development. We return to these issues later in the context of the development of the MBA in Vietnam.

With the fall of Saigon in 1975 Vietnam was reunited and became a country under the leadership of the Vietnamese Communist Party (VCP). Party leadership entails that formally the views of the party are decisive in all aspects of social and economic life. Despite this, since 1986 successive governments have developed a market economy under the rubric of *doi moi* (economic renovation) and have sought to integrate Vietnam into the global economy. With this has come continuing efforts by the national government to reform public administration at national and provincial levels and to create a modern marked economy. The marketization and global orientation of Vietnam was most likely driven by the triumph of pragmatism over ideology, though, within the VCP there remain continuing divisions over the extent and pace of reform. The success or otherwise of these reform efforts are key to the development of the higher education sector both in terms of public (state and local) and private universities and colleges and the capacity to attract foreign universities to establish teaching programmes or campuses in the country.

In the aftermath of the communist victory in the ‘American War’, the Vietnamese government embarked on a highly centralised model of economic management which produced economic stagnation and even starvation. The embrace of *doi moi* aimed to both stimulate foreign trade and attract foreign capital. By any measure, particularly GDP growth and foreign direct investment, Vietnam is a success story even though there have been severe periodic downturns and the economy is prone to instability.

As we have noted above, this process of reform co-exists with strong efforts to retain centralised control of the economy and society, and the state is a dominant

owner and manager in many sectors including education, power generation, oil exploration and refining, building and construction, and telecommunications. At the same time, integration into the global economy is evidenced through Vietnam's membership of various trade agreements and pacts; for example, Vietnam joined the World Trade Organisation in 2007 and is currently part of the sixteen-nation group negotiating the Trans-Pacific Partnership. Vietnam's efforts at global integration are evident also in the development of higher education and are demonstrable in the government's Education Development strategy:

“to provide high quality human resources in line with the socio-economic structure of the industrialization and modernization of the nation; enhance the competitiveness in fair co-operation for Vietnam in its international economic integration; to facilitate the expansion of post-secondary education through diversification of educational programmes on the basis of a path-way system that is suitable for the structure of development, careers and employment, local and regional human resource needs and the training capacities of education institutions; to increase the appropriateness of the training to the employment needs of the society, the ability to create jobs for oneself and for others”. (MOET 2013).

The development of higher education

As with most developing countries, Vietnam has a significant skills gap which is accentuated by the outward movement of qualified labour, typically those who have studied overseas and do not return. While the needs for skilled labour are wide ranging, particularly in areas such as agriculture, aquaculture, conservation and the environment, the bulk of development in higher education has been in business programmes at both graduate and undergraduate levels. Only recently has the government moved to attempt to arrest this trend and to place a greater focus on technical skills, more directly in line with the nation's developmental priorities. Accordingly, the Ministry of Education and Training (MOET) has banned local institutions from offering new courses in accounting, banking, finance, and business administration from 2013.

Directly, the government has encouraged foreign investments in education in order to stimulate economic development, but also as a consequence of agreements entered into as part of the process of its integration into the global economy. At the same time, the Vietnamese government remains inclined to detailed but not necessarily effective regulation of every sector of the economy, not the least higher education and foreign investment. Regulation is problematic in practice with new decrees, such as Decree 73/2012 which was designed to encourage foreign investment in higher education that is being complicated by the absence of an implementing regulation. In this regard a recent submission prepared for the annual Vietnam Business Forum (2013), a consultation between business and government, commented:

“The spirit of the law is meant to provide non state Vietnamese and Foreign higher education institutions with more autonomy but it will be in the implementation of the law that we can see what happens in practice”.

The extent of the challenges confronting Vietnamese higher education is illustrated by the experience of a Harvard University group in teaching and research in Vietnam:

“It is difficult to overstate the seriousness of the challenges confronting Vietnam in higher education. We believe without urgent and fundamental reform to the higher education system, Vietnam will fail to achieve its enormous potential. The economic development of East and Southeast Asia reveals the close relationship between development and higher education. Although each of the most prosperous countries in the region—South Korea, Taiwan, the city states, and more recently China—have followed unique development paths, their single-minded pursuit of excellence in higher education and science is a common theme in their success. The relatively less successful countries of Southeast Asia”—Thailand, the Philippines, and Indonesia—offer a cautionary tale (Vallely & Wilkinson 2008: 3).

The Vietnam government's goal is to transform the economy into a modern, industrialised society similar to Singapore by 2020, and education reform and development has been central to this agenda. As a result of the liberalisation policies, a number of factors have converged to drive the growth of higher education in general and transnational education in particular. We consider two interrelated factors here: the government's goal to create a knowledge economy; and the ensuing demand for skilled labour, largely driven by the rapid growth of foreign investment since 1985.

First the growth of foreign involvement in higher education in Vietnam has been spurred on by the partial marketisation of the education sector as the country welcomed foreign universities in its efforts to create a knowledge economy (London 2010). The revitalisation of education policy under *doi moi* has included lifting regulations which previously restricted the role of the private sector in education (Tran 2005). Further, a government resolution No 14/2005/NQ-CP dated 2 November, 2005 on *Fundamental and Comprehensive Renovation of Vietnam Higher Education for 2006–2020* together with the Education Law of 2005 sets out the nation's Higher Education strategy, most notably an intention to decentralise decision-making control over curriculum and university management and the formation of collaborative relationships with foreign universities. This has the still unrealised potential to allow domestic universities to introduce changes to their teaching programmes and staffing independently of the detailed control of the MOET. It may even reverse the most negative effects of the intense government 'controlism' which has driven school and university curriculum:

“Controlism is now seen as an important obstacle to improving higher education, as those within and outside the education sector believe individual colleges and universities are better able to respond to local and global labour market demands” (London 2010: 375).

The second catalyst for the development of foreign involvement in higher education is the demand for skilled workers by emerging industries, and this requires a greater range of skills and knowledge than is available in domestic universities and colleges. Following *doi moi* the flow of foreign businesses into Vietnam and

the growth of private domestic businesses have led to a steady demand for skilled workers at all levels of production. A forecast for the demand for skilled labour in 2011 indicated that Ho Chi Minh City was expected to require about 265,000 additional workers, which would be made up of about '45 percent of unskilled workers, 20 percent of workers with university degree and 35 percent of workers who finished vocational schools' (Kinh 2011). Further, it is reported that despite the rapid growth in graduates there are continuing shortages of professionals, particularly managers and engineers ('Vietnam's emerging jobs market' 2013).

That much of the development in higher education involves foreign partnerships and business education in particular is evident from a study of websites of all registered public and private higher education providers in Vietnam (Van Gramberg, Teicher & Hong 2013). Further, we note that these developments have occurred against a backdrop of regulatory complexity and instability and inconsistent and inadequate enforcement, which makes it difficult and complex for institutions to establish and operate teaching programmes. In this study of websites in English a total of 370 universities and colleges were found; the break-down of these institutions is presented in Table 1.

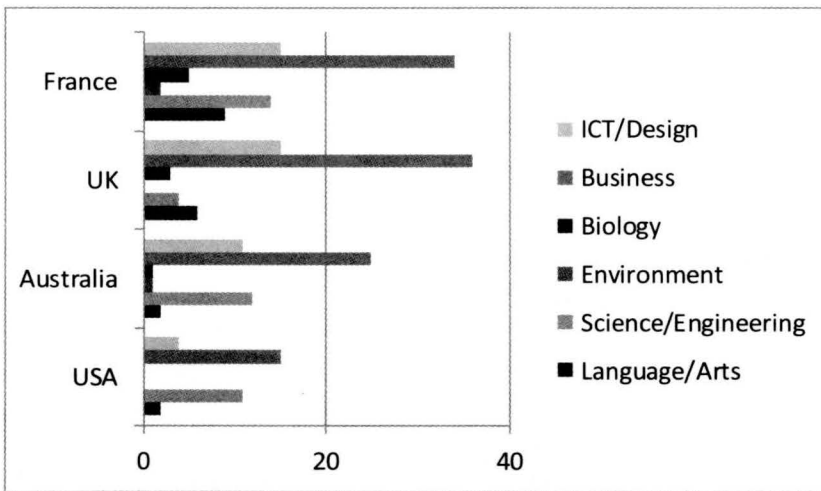
Table 1: Colleges and Universities in Vietnam in 2013

Type	Ownership	Number
Colleges	Public	185
	Private	24
Universities	Public	120
	Private	40
	Fully Foreign Invested	2*
Total		370

A total of 154 foreign partnerships were found with institutions from the Anglo-American countries, the major education exporting nations, being prevalent; specifically the UK (29), France (29), Australia/New Zealand (27) and the US/Canada (15). A number of other European partnerships were found including from

Belgium (7), Germany (5) Russia (3) and the Netherlands (2). Partnerships from Asian institutions were notable too with 10 from Singapore, 7 from China and 2 from Korea. Other Asian partners included Hong Kong, Japan, Malaysia, Philippines, Taiwan, India and Thailand with single partnerships in each case. Van Gramberg and colleagues also found that business programmes dominated these partnerships as is evident in Figure 1, which shows details of educational programmes offered by institutions from the four key exporting nations (UK, France, Australia and US).

Figure 1: Courses offered by Foreign University Partners



The dominance of business education among the foreign partnerships in Vietnamese higher education is at first glance an encouraging development, in view of the need for business skills in the process of developing a modern market economy and the associated systems of governance. This assessment must necessarily be qualified for two reasons: first the dearth of programmes in other area of need; and, second, the potential for opportunistic investments in Vietnamese higher education by foreign partners. The presence of the major education exporting nations is not necessarily a negative for Vietnam, as these nations tend to have robust domestic systems of quality assurance that may at least partly offset the shortcomings of the regulatory system in Vietnam; however, the delivery of programmes in offshore locations presents new issues in relation to content, delivery and educational administration and governance. Further, the wide range of nations that have invested in Vietnamese

higher education itself raises concerns about the quality of providers. While we do not have the scope to examine these issues in greater detail here, it is evident that the presence of transnational providers in business education gives strong grounds to doubt that the outcomes for Vietnamese students and the society at large are optimised.

The MBA in Vietnam

For a long time it was difficult for Vietnamese to study overseas, due to economic and sometimes political reasons. The first MBA offered in Vietnam commenced in 2000 and was a partnership between the National Economics University (NEU) in Hanoi and Washington State University. Rather than being instigated by government, this was a personal initiative of a staff member who had studied in the US, and who remains the champion for this and other international programmes at the NEU. Phan Duc Chi explained how, despite normalisation of relations with the US, starting the first programme was not easy:

“Administrative procedures in Vietnam were very **cumbersome**. In addition, Vietnam-US relations had just been normalised, so our programme was still considered ‘sensitive’ because we were co-operating with a ‘sensitive’ US partner.

I had to spend more than one year visiting relevant agencies and ministries to ask for their agreement. But we still received unclear answers. I never lost hope, though. I thought if the programme was approved by the Government, Vietnam would enter a new era and we would have future leaders to build the country.” (‘Business course from the United States comes to Vietnam’ 2013).

The university system in Vietnam has changed significantly since this programme was first introduced in 2000 and there has been a proliferation of both local and foreign providers with 412 universities and colleges existing by 2013. A similar development has occurred in the area of MBA provision, and there is a widely held view that the MBA market is saturated. In fact the exact number of programmes is difficult to determine due to the proliferation of private providers and the increasing incursion of online programmes many of which are not licensed as required by

Vietnamese law and due to the failure of government inspection and enforcement in higher education.

In order to provide an indication of the number and composition of MBA programmes in Vietnam, we conducted a search of the websites of all universities which have a web presence. We found that 36 Vietnamese universities are offering an MBA programme and there were 27 universities offering programmes in partnership with a foreign provider. As some universities offer multiple programmes, in total there are at least 63 foreign MBA partnerships in Vietnam.

Table 2 contains a list of MBA foreign programmes delivered in Vietnam for which information was readily available in English on the internet. Four features of this table are particularly noteworthy: first, in most cases we were unable to obtain the total cost of the programme; second, we found only one case, the Ho Chi Minh City Open University, (HCMCOU) operating with more than one partner; third, only one foreign university, RMIT International University Vietnam, had established a campus in Vietnam; and finally very few programmes listed any accreditations at all. We discuss the issue of quality further below but first we will look more closely at the types of MBA offerings.

Table 3: Foreign MBA programmes in Vietnam

Institution	Local Partner	Degree type	Language of instruction	Accreditation	Cost (USD)
Washington State University	National Economics University, Hanoi, International School of Management	MBA
North-western University	Hanoi School of Business (HSB), Vietnam National University	MBA EMBA	Vietnamese English

University of Hawaii	International University (HCMC) Foreign Trade University (Hanoi)	EMBA only	English	AACSB in the US	21,000
RMIT International University Vietnam	None	EMBA MBA	English	...	23,000 23,000
University of Maastricht	Ho Chi Minh University of Technology (HMUT)	EMBA MBA		AACSM, AMBA, EQUIS	14,000
University of Bolton	Banking University HCMC	MBA	English	...	10,700
La Trobe University	Hanoi University	MBA	English	EPAS, QS ranked 23 by employers in Asia-Pacific region	...
Solway Brussels School of Economics and Management	Ho Chi Minh City Open University, Hanoi National Economics University	MBA	English	EQUIS	10,000
Federation University (formerly the University of Ballarat)	Ho Chi Minh City Open University	MBA Health Services Management	English	...	12,000

University of Northampton	Vietnam National University (VNU) International Education Institute (IEI) Ho Chi Minh City				
Australian Institute of Business (AIB)	ERC Institute Vietnam	MBA	English

Superficially, MBA programmes can be divided into two categories, domestic and foreign partnerships, but on closer scrutiny there is more diversity, at least in relation to foreign programmes. Attention also should be given to two other categories of the programme, online courses and foreign university campuses, the former which the government seeks to discourage, the latter which the government has had little success in encouraging. Recognising the lack of sophistication in the market and the shortcomings of regulation, it should not be surprising that there is a wide variety of programmes differing across a range of dimensions including the origin of the programme, duration, language of instruction and course content.

Partnership with local universities: This group of at least 27 programmes constitutes the majority of programmes delivered in English. These programmes originate from a variety of countries including Australia, Belgium, England, France, Germany, Norway, Switzerland, Singapore, Taiwan, Thailand and the USA (see Appendix for further details). One common feature of the partnership programmes is that they are taught intensively by staff employed by the foreign partner in the home country and who fly in for the duration of the course (typically 5 to 10 days). As far as we can ascertain, teaching and assessing of core courses remains with the foreign partner but in some cases, such as Ho Chi Minh Open University partnership with Federation University (previously Ballarat University) and La Trobe University with the Hanoi University, elective courses originate with the Vietnamese university and are taught and assessed by their staff.

In practice, there is considerable diversity in the way these programmes operate. In the case of the University of Hawaii, its EMBA programme is marketed as an offering of the parent university and the delivery of the courses by US based staff is emphasised. Hence the programme features include:

Top Faculty - All classes are taught in Vietnam by University of Hawaii, faculty who travel to Vietnam to deliver their instruction and course material face-to-face. Faculty use a variety of interactive teaching formats and methods designed to engage and challenge experienced business leaders (University of Hawaii at Manoa).

In reality, the University of Hawaii programme consists entirely of content from the parent university and academic administration is also controlled externally. There is, however, tutorial support by staff based in Hanoi and Ho Chi Minh City, thereby providing a measure of exposure to the local business environment. Admission requirements for the University of Hawaii are comprehensive but not demanding. Applicants must have five years' work experience but the form of this experience is not specified and applicants are required to write an essay and attend an interview. While these requirements suggest rigorous assessment of applicants, an English language requirement of an overall band score of IELTS 5.5 suggests only 'moderate' competence in English is required

(http://www.ielts.org/institutions/test_format_and_results/ielts_band_scores.aspx, accessed 24 January, 2014). Nevertheless, it should be noted that the University of Hawaii programme is regarded as among the best in the country, no doubt in part due to it having an effective alumni group of mostly Vietnamese former students, who most likely generates employment opportunities for its graduates. Interestingly, the students and alumni of this programme are largely Vietnamese nationals.

Also well regarded in Vietnam is the University of Maastricht MBA, a joint programme between the Maastricht School of Management (MSM) in the Netherlands) and Ho Chi Minh City University of Technology (HCMUT)

(http://www.msm.edu.vn/web/index.php?option=com_content&view=category&id=118:news&layout=blog & Itemid=326, accessed 24 January, 2014). MSM is a leading European business school with triple accreditation in Europe and clearly

its reputation has carried across to Vietnam. As with the University of Hawaii, teaching is undertaken intensively by MSM academics who fly in for the delivery of intensive programmes, which are usually of seven days duration. Academic administration and marketing are undertaken in Vietnam.

A final illustration of the variability of partnership arrangements is the Australian Institute of Business (AIB) MBA which is delivered through ERC Institute. In Australia the AIB is a little known player based in South Australia, which claims that its courses are accredited within the Australian Qualifications Framework (<http://www.aib.edu.au/>), accessed 25 January, 2014. AIB offers a 12-month MBA in various modes including through overseas teaching centres. In Vietnam, the MBA has been offered through the ERC Institute in Vietnam which operates an education centre for a variety of overseas universities and other education providers (<http://www.aib.edu.au/programmes-erci-vietnam/mba-erci-vietnam.html>). The ERC Institute is a Singapore based private company providing education and training. The distinctive features of this MBA are that applicants do not require an undergraduate degree to gain admission (and the entry requirements are difficult to determine) and academic control remains with the AIB in Australia, but teaching delivery is undertaken entirely by local staff sourced by AIB. While the ERC website is active, this is one of the eight local and international higher education providers who were fined by MOET for providing a programme (in this case the MBA) without a license ('Vietnam tightens control over higher education programmes' 2012).

Vietnamese universities: This group includes state universities and private universities which offer MBA programmes using local content and staff. For the most part this group teach in Vietnamese, but some conduct instruction partly in English. English language instruction can be achieved by employing (mostly) foreign staff who deliver classes in English with a translator present. In these cases teaching materials, such as power point slides and even some textbooks, will also be translated into Vietnamese. In such degrees the standard of delivery turns on the quality of the translation, though the reliance on textbooks makes it unlikely that students would be exposed to either research findings or knowledge of the

international and local business environments. Indeed, a widely acknowledged shortcoming of the Vietnamese education system is the reliance on rote learning and on theory over practice. For this reason, we question the value of the typical Vietnamese MBA programme other than as a form of 'credentialism'. Students of these programmes typically are employed in government and state owned enterprises rather than organisations engaged in international business.

As most of the programmes offered by Vietnamese universities are delivered in Vietnamese, little is known about them. To this end we collected data from the internet on 14 institutions (9 in the South and 5 in the North) which provide details of the MBA programmes. In terms of entry requirements a minimum of one year's work experience after completing an undergraduate degree is common, though applicants with a good undergraduate academic record (at Distinction level) may be admitted without work experience. Applicants who have not completed an undergraduate degree in business or economics must undertake switch subjects (equivalent to about half a year of study – 18 credits) before they can sit for the entrance exam for MBA. Course duration varies from one and a half to two years. The content of programmes is in three parts: 'common knowledge' (Kiến thức chung) consisting of English and Philosophy, though with some institutions also requiring Research Methodology; 'specialised knowledge' (from one to one and a half years) consisting of a fairly standard set of core and elective courses; and thesis (about six months duration). An example of such a programme is the HCMC Open University which conducts its domestic MBA in Vietnamese and charges around \$1500 for the complete MBA. As will be seen in Table 1, HCMC OU also offers two MBA programmes in partnership, one with Federation University (MBA Health Services Management) and the other with Solway Brussels School of Economics and Management, costing respectively \$12,000 and \$10,000.

In order to gain further insight into the Vietnamese MBA we also conducted a survey of participants and graduates of five Vietnamese universities (HUTECH, International University HCMC, HCMC OU, Ton Duc Thang University, and University of Finance and Marketing) of which four are based in Ho Chi Minh City. Our sample consisted of 61 MBA students (70.5%) and graduates. Overwhelmingly

(91.8%) they reported Vietnamese as the language of instruction. The two most common reasons provided for undertaking an MBA to were open new career opportunities (39.3%) and learn new knowledge and skills (41.0%). Surprisingly, only 1.6% said they undertook an MBA to increase their income. Almost all the respondents (91.8%) were employed, they worked in a wide range of industries with education, engineering and manufacturing being the most common. We were also surprised to find that very few respondents studied full time (3.3%) and most had considerable work experience (54.1% had more than 5 years). Also unexpected was that 80.3% claimed to finance their studies from savings (while only 6.6% were employer funded). Finally, Table 3 below provides responses to a series of statements regarding the MBA programme undertaken. Across a number of measures, most respondents stated that they were satisfied with their programme, though the prevalent model of courses plus-thesis proved to be unpopular as were the compulsory common knowledge subjects and the emphasis on theory. The unpopularity of the thesis is no doubt because of the amount of work required to collect data and write up the thesis in a very short time. The common knowledge subject, Philosophy, includes instruction in communist ideology which may explain its unpopularity. Finally, the dissatisfaction with theory-based teaching supports our earlier comment regarding the shortcomings of the Vietnamese education system.

**Table 4: Responses to statements regarding the MBA programme
(1:strongly disagree 5:strongly agree)**

From the	N	Min:	Max:	Mean	Std. Deviation
Q15.2: All the compulsory courses in the programme were/are or seem relevant and interesting	61	2	5	3.61	.690
Q15.3:Compulsory courses offered in the MBA programme are/were theory driven	61	1	5	3.39	.842

Q15.4: There are still some compulsory courses which are unnecessary	61	2	5	3.36	.913
Q15.6: Learning environment and other facilities (library, class room, furniture, light, internet, visual aids...) have met my expectation	61	2	5	3.59	.783
Q15.7: Teaching staff are all PhD qualified	61	1	5	3.74	.911
Q15.8: Overall, the teaching staff in my programme did/ are doing a good job	61	2	5	3.82	.719
Q15.9: I would be willing to pay higher tuition fee to receive a better quality MBA programme	61	1	5	3.56	.922
Q15.10: If I had chance to start all over in my MBA, I would still choose to do my MBA in the current institution (university)	61	1	5	3.80	.872
Q15.5: I prefer the coursework MBA to the one with a final thesis	61	1	5	3.30	1.321

Foreign universities operating online: A discussion of MBA programmes would not be complete if we did not return to the issue of online provision as it highlights the proliferation of programmes and the problems of regulation and quality assurance of programmes. In 2012, shortly before the passage of the new law on foreign education, there was considerable publicity given to the revelation of unlicensed provision of programmes. A prominent national newspaper Than Nien highlighted the marketing of such illegal online courses by Vietnam-based ‘consultants’. For

example, the Blue Ocean Overseas Study Centre recruited students to courses provided by the University of Singapore. It did not require students to hold an undergraduate degree in order to gain admission, only two years work experience in 'related fields'. Similarly, the Orchard Edu Group Centre, claiming to present the University of Sunderland and the Angela Ruskin University, recruited students without a university degree and only five years unspecified work experience ('Foreign schools illegally run courses in Vietnam', 2012). The revelation of these and other abuses in 2012 preceded the passage of a new law regulating foreign education provision that was referred to earlier in this paper.

Foreign universities with campuses in Vietnam: Although there are two foreign universities operating in Vietnam, only one offers an MBA, RMIT International University Vietnam. Established in 2002 following an invitation from the Vietnamese government, RMIT has campuses in both Ho Chi Minh City and Hanoi. RMIT offers programmes across a range of disciplines, though, as with many Australian universities, business programmes dominate its offer. In 2012 total enrolments were approximately 7,000 with more than 4,000 students enrolled in undergraduate and graduate business programmes. RMIT launched its graduate programmes in Vietnam in 2003 with an MBA and an EMBA programme which respectively are offered in full-time and part-time mode. Initially both programmes were offered in HCMC and in Hanoi, but an inability to sustain viable class sizes in Hanoi has resulted in neither programme being offered in Hanoi since 2009. The inaugural MBA director attributed the university's earlier ability to offer the MBA from Hanoi to intensive marketing in what is widely recognised as a fickle market. This marketing focused on the strength of the Australian educational brand and the international composition of the participants compared to many other programmes. An international student body has proven attractive to Vietnamese working for foreign organisations and to members of the expatriate business community.

The mode of delivery of the RMIT programmes is distinctive, because, while the content has been developed in Australia, there is a strong emphasis on the local business context. Contextualisation has been facilitated by the fact that most courses have been taught by locally based academics. RMIT academics are

drawn from approximately 40 national groups including Australia, Bangladesh, Canada, Germany, India, Malawi, Singapore and Thailand. Since 2012 RMIT has re-launched its Executive MBA with teaching now in an intensive mode using Australian based lectures and with learning support from locally based staff. The shift to intensive delivery was aimed in part to attract participants from across Vietnam including Hanoi and to provide stronger competition to other international programmes.

Discussion

Business education in general and the MBA in particular have developed rapidly in Vietnam in response to the need for workers with higher level skills and knowledge and reflecting the increasing opportunities for those who hold a graduate degree. Although there has been a proliferation of MBA providers variously delivering programmes in Vietnamese or English and at quite different price points, there are still few reliable measures of quality that would assist potential students in making their choice of programme. As we have observed above, while the government engages in detailed regulation of the higher education sector, this does not translate into a reliable system of regulating providers and ensuring that minimum standards are met. Though all providers are required to be licensed and to have their curricula, programmes and many other operational details approved by the government, in practice, this requirement is often ignored or circumvented through the payment of bribes. That from time to time unlicensed providers are identified and punished is not generally regarded as demonstrating effective regulation of the sector. Moreover, unlike countries like Australia, there is no effective national system of accreditation of educational programmes so there are no benchmarks for quality or even to enable students to move between courses and institution (Luu 2011).

In the case of the MBA, these concerns over quality are not alleviated, because very few providers, even among the foreign partnerships, have any of the internationally recognised accreditations (for further details see Table 2). As we have discussed above, there are many foreign providers of MBA degrees in Vietnam, and the quality of programmes varies widely. We express particular concern about those programmes with low entry requirements (particularly entry without an

undergraduate degree and no work experience) and programmes of short duration. In our research we identified the issue of unregistered providers and the growing incidence of online programmes of dubious quality. While foreign programmes have the potential to raise the quality of MBA provision by providing high quality competition in terms of content and teaching methodologies, concern has also been raised that:

“some foreign universities simply lend their names and curriculum, and the local institution is permitted to grant degrees of foreign institution to local students. The problem is that students receive the ‘international degree’, but they are not receiving the same level of educational quality provided in the foreign institution” (Hung 2011:3).

We did not encounter this practice in our research but there is clearly a need for close scrutiny of the quality of delivery of foreign programmes as well as those provided by local universities.

“The issue of accreditation leads directly to the process of choosing an MBA programme. Overall this is a market in which those who are making the decision about the choice of degree are generally ill-informed or at best lacking in relevant knowledge; hence their decisions about the choice of degree and institution will often be based on considerations of price, entry criteria, and duration of the programme. One informant commented: ‘The market has come a long way but still not well educated in terms of knowing what MBA it needs and how to differentiate between different MBAs’ (Interview 1, 16 January, 2014). Moreover, there is little evidence that accreditations or other indicators of quality like rankings play a role in the choice of an MBA programme. With neither an effective system of higher education regulation and accreditation, nor access to international systems of accreditation such as AACSB or EQUIS (accreditation of programmes is largely confined to programmes taught in English), potential MBA students and employers of MBA graduates are left to rely on word of mouth and the urgings of alumni of the various programmes. Moreover, we found only one ranking of Vietnamese MBA programmes and it goes little beyond stating: ‘National Economics University, Vietnam National University Hanoi School of Business, and the University of

Economics Ho Chi Minh City are the top ranked business schools in Vietnam”” (Good MBA Guide Ranking of business schools worldwide).

Moving beyond the individual to the needs of the society, there is a wide consensus that Vietnamese universities are failing to produce the educated workforce required to meet the needs of the developing economy, particularly in order to lessen its reliance on low skill and low value added production. As Valley & Wilkinson (2008: 2) observe:

“Surveys conducted by government-linked associations have found that as many as 50 percent of Vietnamese university graduates are unable to find jobs in their area of specialization, evidence that the disconnect between classroom and the needs of the market is large”.

One regularly cited example is that when Intel sought to hire engineers and administered a standardised test to 2,000 Vietnamese undergraduate IT students, only 5% passed and less than half had sufficient English language proficiency to be hired.

The situation reported here is symptomatic of the failings of the Vietnamese education system at all levels, specifically, reliance on rote learning, need for student-centred learning, lack of programme innovation, and failure to cultivate independent and critical thought. As Luu (2011: 4) has observed:

“In fact, Vietnamese universities are very concerned about changing methodologies, encouraging the shift from teacher-centered to learner-centered approach of teaching and learning. However, this process of change is very slow because of the lack of qualified lecturers, facilities and materials. In addition, ineffective utilization of education technology is also the problem for higher education development at present”.

To the extent that Vietnam’s fortunes are reliant on international business and trade, these problems are accentuated by the prevalence of teaching in Vietnamese and the relatively small number of Vietnamese students who are able to achieve proficiency in English. It is for these reasons that foreign undergraduate business and MBA programmes are valued by the Vietnamese government as increasing the country’s

capacity to engage in international trade and business. Nevertheless, it remains true that the phenomenon of controllism in higher education sector has limited the incursion of international programmes and universities; for example since 2000, RMIT Australia is the only foreign university offering business programmes that has managed the regulatory maze to become established and then operate in Vietnam. Though even here there are considerable problems including taxation regimes, problems in recruiting and continuing to employ foreign academics, and government requirements regarding programme content.

As in many other areas of society, the Vietnamese government has embarked on a programme of reform of higher education which is designed to enable the sector to fully contribute to the tasks of economic development by reducing bureaucratic rigidity, lack of accountability and poor governance. One manifestation of this is the Law on Higher Education 2012. What is proposed are a series of potentially important reforms. First, unprecedentedly, foreign non-profit institutions will receive 'priority in land allocation, tax, capital, and staff training'. Second, there are limited moves in the direction of institutional autonomy in that the cap on tuition fees has been removed, though conditions may be imposed on public institutions; and institutions are to become responsible for their academic administration within the limits of the curriculum set by the Ministry of Education and Training (MOET). Third, in relation to quality, institutions will be able to choose their academic accreditation agency from a list provided by MOET. Accreditation agencies must have legal status and are accountable to MOET, and the results of accreditation must be made public (Australian Government, Australian Education International 2013: 1-2). When these reforms will be implemented and with what degree of success is uncertain, particularly in view of the limited progress of reforms announced in 2005.

Conclusion

Vietnam has made considerable progress in the last three decades, particularly in economic and social development. Under the leadership of the VCP, the economy and the education sector have undergone major reform and integration into the global economy. The growth of business education reflects these developments

and the increasing need for skilled labour. Certainly, an increasing number of institutions are providing graduates to domestic and foreign businesses, but it is doubtful that this contribution is optimal.

In the area of MBA programmes, we have observed a proliferation of domestic providers and foreign partnerships. Without an effective national system of higher education regulation and accreditation or widespread reliance on international accreditations, programmes cannot be effectively compared and assessed. On the available evidence, it appears that domestic MBA programmes tend to be deficient in both content and mode of delivery due to their being embedded in a still largely unreformed higher education system.

The development of foreign MBA programmes in Vietnam offers the potential to offset this shortcoming and to provide best practice models for emulation by local schools. But here too there are impediments, not the least because it is necessary that the foreign university be a quality provider in its own right and would need to commit the necessary resources to ensure the quality of delivery in the offshore location. At all events, the MBA remains a sought after qualification among Vietnamese graduates and non-graduates alike, but the need for root and branch reform of the sector remains pressing.

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APPENDIX 1: FOREIGN UNIVERSITIES OFFERING MBA THROUGH PARTNERSHIP WITH A LOCAL UNIVERSITY

	International Institution	Country	Degree	Major
1	Gloucestershire University	UK	Master	Business Administration
2	South Columbia	USA	Master	Business Administration
3	City University of Seattle	USA	Master	Business Administration
4	Oklahoma City University	USA	Master	Business Administration
5	Benedictine University	USA	Master	Business Administration
6	Assumption University	Thailand	Master	Business Administration
7	Soongsil University	South Korea	Master	Business Administration
8	Thomas University	US	Master	Business Administration
9	La Trobe University	Australia	Master	Business Administration
10	Université du Québec à Montréal	Canada	Master	Business Administration
11	Paris CCI	France	Master	Business Administration
12	Lincoln University	US	Master	Business Administration
13	Bristol University	US	Master	Business Administration
14	Malaysia Open University	Malaysia	Master	Business Administration
15	Ballarat University	Australia	Master	Business Administration
16	Bolton University	UK	Master	Business Administration
17	BI Norwegian Business School	Norway	Master	Business Administration
18	Shute University	Taiwan	Master	Business Administration
19	Meiho University	Taiwan	Master	Business Administration
20	University of Hawaii at Manoa Shidler College of Business	US	Master	Business Administration
21	Nghĩa Thu University	Taiwan	Master	Business Administration
22	HELP University	Malaysia	Master	Business Administration
23	Northwestern Polytechnic University	USA	Master	Business Administration
24	IIMC Fachhochschule Krams Gesmbh	Austria	Master	Business Administration
25	Trùng Khánh University	China	Master	Business Administration
26	Lunghwa University	Taiwan	Master	Business Administration
27	Université Libre de Bruxelles	Belgium	Master	Business Administration

Source: Vietnam International Education Development - VIED (2014).

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