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## **Current Situation of Corporate Culture Change at Enterprises Vietnam**

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### **ABSTRACTS**

*The cultural shift in Vietnamese businesses reflects a growing emphasis on innovation, adaptability, and employee well-being. Traditional hierarchical structures are being replaced by flatter organizational models that encourage open communication and collaboration. (1) "Embracing innovation" Vietnamese businesses are increasingly valuing creativity and innovation. Companies are investing in research and development, fostering a culture of experimentation, and encouraging employees to propose new ideas. (2) "Adopting modern management practices" Many Vietnamese companies are moving away from rigid, top-down management styles toward more participatory approaches. Leaders are increasingly seen as mentors and facilitators rather than authoritarian figures. (3) "Focus on employee well-being" There's a rising recognition of the importance of employee well-being in driving productivity and retention. Flexible work arrangements, wellness programs, and initiatives to promote work-life balance are becoming more common. (4) "Emphasis on learning and development" Vietnamese businesses are investing in training and development programs to upskill their workforce. Continuous learning is seen as essential for staying competitive in a rapidly evolving business landscape. (5) "Embracing diversity and inclusion" Companies are recognizing the benefits of a diverse workforce and are actively promoting diversity and inclusion initiatives. This includes efforts to address gender equality, cultural diversity, and inclusion of persons with disabilities.*

*Overall, the cultural shift in Vietnamese businesses reflects a move towards modernization, flexibility, and a people-centric approach to management.*

**Keywords:** Corporate culture, Vietnamese businesses, changing corporate culture.

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### **1. General introduction to corporate culture and corporate culture change**

According to Edgar Schein (1980), he defined corporate culture as the synthesis of common concepts that business members learn in the process of solving internal problems and dealing with environmental problems. around. According to Duong Thi Lieu (2008), organizational culture or corporate culture is the entire set of spiritual values that have unique characteristics of the organization, affecting the reason, emotions and behavior of members. in business. It can be understood that corporate culture is the synthesis of core values, beliefs, behaviors, and attitudes typical of a business that are shared by the board of directors and members during operations and implementation. tasks at a business. Therefore, corporate culture has an extremely strong impact on the formation and development of a business.

A good corporate culture will give the business a competitive advantage and sustainable development, creating a unique character for the business that can attract and create employee loyalty to the business. And once a business has strengthened its human element, it will create a professional working environment, thereby increasingly enhancing its brand reputation.

However, in the opposite direction, not every business has a good enough corporate culture, affecting the long-term development of the business, causing the business to stagnate or worse, degrade. The reason may be because the corporate culture can only be used in the short term for young businesses, the culture is no longer suitable for the times, or the culture has a negative impact on people and the apparatus. of business. And no matter what the reason, it is extremely necessary to discover, find the causes and change corporate culture, especially for the leadership organization of the business. Industry can improve promptly.

#### ***The importance of reinforcing issues when changing corporate culture***

When a business decides to change its culture, this may involve updating its employees' values, attitudes, norms, and general behaviors to achieve new business goals or adapt to change. change in the business environment. Underpinning corporate culture change is the process and strategy applied to ensure, support, and sustain cultural changes within an organization and is of great importance to the success and organizational sustainability.

The process of cultural change often faces difficulty and resistance. Consolidating changes helps maintain stability and consistency within the organization, avoiding ambiguity and loss of support from members. Reinforcement also creates a solid basis for employees to understand and accept change, thereby minimizing concerns and difficulties.

Consolidating the issue helps build consensus within the organization, creating a strong team spirit. Strengthen employee consensus and commitment to business goals and values. Reinforcement helps build employee awareness and commitment to changes. If employees understand and accept the new values, they will support and actively participate in the change process.

A focus on problem reinforcement helps create a positive work environment where everyone feels respected and valued. This can promote teamwork, collaboration, and employee satisfaction. Encourage creativity and a focus on learning and personal development.

Corporate culture sets the foundation for organizational flexibility and adaptation. Consolidation helps enhance business performance by focusing on common goals and improving work processes, helping to ensure that these changes are not just theoretical but are implemented in daily action. Reinforcing the problem of change helps create a culture of flexibility, helps the organization adapt quickly to fluctuations in the business environment, creates consistency in the way of working and helps enhance the adaptability of employees. Organizations with changing markets and business environments.

Consolidating issues helps minimize risks and conflicts that can arise when changing corporate culture. When issues are clearly reinforced, concern and conflict among organizational members can be reduced. Transparency and continuity of communication help build trust and reduce concerns, create a common understanding and acceptance of changes, and reduce the potential for conflict and bad relationships between team members. Organization.

A positive and reinforced corporate culture is a key determinant in attracting and retaining talented personnel. Consolidating changes in culture will create an ideal working environment with attractive policies and benefits. Employees want to work in a positive, flexible and supportive environment.

While changing corporate culture can face challenges, reinforcing these issues helps create the stability and support needed to ensure the change process is smooth and brings long-term value for the organization.

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## **2. Current status of corporate culture change in successful businesses in Vietnam**

In the context of continuous integration and economic development, changing and strengthening corporate culture has become an important challenge for many businesses in Vietnam. To continue to survive and grow, businesses need to face market fluctuations, respond quickly to customer requests, and build a positive and creative working environment.

In this effort, consolidating issues when changing corporate culture becomes a key factor, playing a decisive role in the success and sustainability of each organization. The decisive steps and specific strategies that businesses in Vietnam have been implementing not only reflect their commitment to the transition process but also demonstrate their acumen in adapting to the economic environment. Business is increasingly challenging. Businesses have also taken many measures to strengthen their corporate culture change process. First of all, we can mention VinGroup with its Human Resources Training and Development Program. VinGroup focuses on training and developing personnel, helping them clearly understand the values and goals of the business. This helps create consistency in how employees understand and implement organizational culture. They encourage employees to suggest new ideas through creative reward programs and facilitate innovation and rapid adaptation.

Or Viettel Group with its new Leadership Program that provides leadership training to build a management team with skills and vision suitable for the new organizational culture. They also regularly organize exchange activities and events to create opportunities for communication and connection between departments within the organization.

FPT is one of the leading technology corporations in Vietnam and one of the main driving forces behind the strong development of the domestic information and communications technology industry. Founded in 1988, FPT has gone through a journey full of challenges and innovations, from a software services company to a multi-industry corporation, with broad professionalization in areas such as information technology, telecommunications, education and training, finance, real estate and many other fields.

FPT stands out with its strategic vision and commitment to investing strongly in technology research and development. With a team of talented personnel, extensive knowledge and innovation spirit, FPT not only offers leading products and services but also contributes to the comprehensive development of Vietnam's technology industry.

Emphasizing creativity and positivity, FPT is not only a business but also a community of technology enthusiasts, where new ideas are respected and encouraged. With the mission "Creating the future through technology," FPT continues to shape and change the way we interact with the world around us.

FPT's transformation from a focused software company to a multi-industry corporation not only marks a major turning point in their development history but also creates a significant change in corporate culture. Previously, FPT focused mainly on the software field. However, with the transformation process, they expanded their business scale into many different fields such as information technology, telecommunications, education, finance, and real estate. This diversity requires a major transformation in the organization's management and strategic thinking.

With diverse expansion, FPT must adapt to fluctuating factors in each field of operation. Innovation becomes a core value and the ability to adapt quickly is important to meet diverse market needs.

FPT has faced the challenge of diverse fields of operation, from information technology to education and finance. To ensure success in each of these areas, innovation and the ability to adapt quickly have become key. FPT has enhanced its research and development processes, placing creativity at the

heart of all activities. The company could have created dedicated teams of experts and research groups in each field, encouraging innovation and implementing cutting-edge technology. To adapt to the diversity of business fields, FPT has invested heavily in human resources training and development programs. Courses and training can be designed to enhance skills and in-depth understanding, helping employees work effectively in multidisciplinary environments.

The transition from a software model to a multi-disciplinary model has also placed new requirements on the leadership and human resources management style at FPT. Big changes in the field of operations require a flexible and creative leadership style. FPT has made a change in the way it recruits, develops, and retains staff, moving towards diversity of skills and knowledge.

Previously, FPT could focus on the key values of technology and innovation in the software field. During the transition, cultural values may have expanded to reflect the diversity of new areas of activity, such as initiative, positivity, and flexibility. Regarding diversity, the expansion of the field of activity means working in an environment with a more diverse range of occupations and skills. The value of diversity can be promoted, encouraging contributions from everyone, regardless of culture, major, or work experience. Flexibility can become an important value in corporate culture when transitioning to a multidisciplinary model. The ability to adapt and adjust quickly to meet the requirements of different sectors can be appreciated and actively encouraged in this context. Proactivity can be an important value, especially when FPT wants to increase its ability to adapt to the market and fluctuations in the economy. Proactivity at the individual and organizational levels can be encouraged, facilitating creativity and creating new opportunities.

The multidisciplinary model poses the challenge of how different professional teams can collaborate effectively. FPT could have focused on building interactive infrastructure and internal information channels to encourage open communication and knowledge sharing. Internal interaction not only helps solve professional challenges but also creates a positive work environment in which employees feel valued and encouraged to share ideas, suggestions and knowledge. Events, workshops, and internal communication vehicles can be used to promote communication and interaction between teams. At the same time, creating cross-cutting projects or tasks between teams from different fields can promote collaboration and solidarity.

FPT is a large corporation with a rich history and unique corporate culture. During the development process, FPT has also gone through many stages of cultural change to adapt to the new business environment. During that change process, FPT applied different methods to strengthen the problems.

First of all, FPT always clearly defines goals and vision for each stage of corporate culture change. This helps all employees understand the reason and purpose of the change, thereby creating consensus and commitment to implementation. In addition, FPT uses many different communication channels to convey messages about the new culture to all employees. Traditional channels now include: internal announcements, emails, websites, conferences... In addition, this business also creates an environment that encourages innovation and creativity to motivate employees to participate in the process of changing corporate culture. FPT also regularly organizes collective activities to strengthen cohesion, and shared among employees. The evaluation and adjustment process also plays an important role in consolidating the problem when changing FPT's culture when the business regularly evaluates the effectiveness of changing corporate culture and adjusts programs, suitable operation. For a large enterprise in Vietnam like FPT, business strategy is always an important factor to help promote development, so FPT always associates corporate culture change with business strategy. This helps ensure that the new culture supports the delivery of the business strategy.

The most typical example is when FPT transformed into a multi-industry corporation model. The company has developed and implemented the "FPT Way" program to unify corporate culture throughout the group. This program includes core values such as: "Balance", "Professionalism", "Innovation", "Responsibility", "Collaboration". In addition, the process of consolidating the problem also takes place when FPT promotes its digital transformation strategy. FPT has developed and implemented the program "FPT Digital Culture" to promote digital culture throughout the corporation. This program includes core values such as: "Openness", "Learning", "Sharing", "Adaptation", "Collaboration".

Thanks to these efforts, FPT has succeeded in changing corporate culture to adapt to the new business environment. FPT's new corporate culture has helped the corporation enhance its competitiveness and achieve many business successes.

In addition, FPT also encountered some difficulties in the cultural change process such as lack of employee consensus, lack of resources or lack of time.

Having a journey of "From nothing to global" for 35 years, with the first steps of only 13 members, FPT Group has risen to lead the market with three main business areas including technology, telecommunications and education. Currently, FPT Group is the only representative of the technology group in the top 50 best listed companies of 2021 announced by Forbes Magazine, Top 500 largest private enterprises in Vietnam according to VNReport. And since FPT switched to a multi-industry corporation model in 2007, FPT Group has had many breakthrough successes such as:

- Become the leading information technology service provider in Vietnam with a variety of information technology services such as consulting, design, implementation, operation and maintenance of information technology systems for businesses, businesses and government organizations.
- Along with that, FPT has expanded its market to more than 20 countries around the world such as the US, Japan, Australia, Singapore, Malaysia,...
- At the same time, it is a high-quality resource training unit with more than 100,000 employees for domestic and international markets from FPT University and many other colleges and intermediate schools.

Recently, FPT Group officially announced that the business has achieved 1 billion USD in revenue from foreign markets, contributing to making Vietnam the second largest software exporter in the world after India.

Not only that, thanks to always being ready to receive opinions, improvements and breakthroughs in changing and strengthening its corporate culture, in 2016, FPT won 2 awards: Best Business Award. good working environment and award for enterprises with excellent human resource training and development policies. This is the second consecutive year FPT has won two major awards at the Vietnam HR Awards. According to in-depth analysis of career motivations of working people in Vietnam by Anphabe Company and Nielsen Market Research Company, Culture and Values are one of the top 10 criteria to evaluate the attractiveness of a job. an Employer brand.

According to VietNam.Net newspaper, one of the core differences in building FPT's working environment is the company culture, a culture that accepts people as they are, including strengths and weaknesses. , the good side and the bad side. At FPT, listening to different opinions is extremely important to help leaders, so equal exchange between subordinates and superiors is welcomed and encouraged. FPT culture is also expressed by established regulations such as leaders not accepting gifts or envelopes from employees, leaders must set an example for their employees, no corruption, no personal gain... Although In any situation, FPT people are still optimistic and try their best, constantly learning to achieve what they dream of. That's why FPT has become a place where many people dream of being able to make their valuable contributions.

It can be seen that FPT has achieved many resounding successes in recent years, this is even more clearly demonstrated thanks to its success in strengthening corporate culture:

- **Impressive growth:** FPT's revenue grows 165% from 2014 to 2022, profit after tax increases 199%. Operating efficiency also improved significantly with ROE increasing by 28% and NPS increasing by 37%.

- **Strong brand:** FPT brand value increased by 93% in the same period, reaching the Top 100 most prestigious listed companies in Vietnam.

- **Attracting and retaining talent:** FPT attracted a large number of talented employees, with the number of employees increasing by 78% and the employee retention rate being over 85%.

- **Prestigious awards:** FPT was honored with many prestigious awards such as Asia's Best Business Award 2022, Top 500 largest enterprises in Vietnam (VNR500) and Top 10 most prestigious listed companies in Vietnam Male.

From there, it can be seen that changing corporate culture and consolidating after changing corporate culture is a challenging process but also very important for the success of the business. Businesses that want long-term and sustainable development need a systematic strategy and perseverance to effectively implement the change process.

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### 3. Some solutions

#### *Some solutions for strengthening after changing corporate culture in Vietnam*

Firstly, it is necessary to raise awareness of senior leaders, organize training courses and seminars on the importance of corporate culture and how to strengthen it after change. Businesses should invite experts to share experiences on building and developing an effective corporate culture and encourage senior leaders to directly participate in the process of strengthening corporate culture.

Second, continue to communicate the importance and goals of strengthening corporate culture to employees and all departments within the enterprise. Use many different communication channels such as email, intranet, social networks, conferences, training,... as well as create opportunities for employees to exchange, feedback and contribute ideas about the consolidation process. corporate culture to listen, improve and reduce stress during times of corporate culture change.

Third, businesses should build a reward and recognition system in the process of implementing change and strengthening corporate culture. Specifically, rewarding and recognizing individuals and groups who make positive contributions to the process of strengthening corporate culture, in order to recognize employees' efforts and achievements in applying cultural values. new. From there, creating a dynamic working environment that encourages creativity, innovation and eagerness to learn.

Fourth, businesses must regularly evaluate and monitor the effectiveness of strengthening corporate culture when making changes, in order to promptly grasp, plan and propose timely solutions.

Fifth, a safe, open and trustworthy working environment is extremely necessary in all cases, especially during times of great change such as the process of changing corporate culture. A good working environment should be a top priority to ensure human factors and future loyalty and sustainability.

Overall, strengthening corporate culture after change is an important process that helps ensure the success of the transition. Businesses need to have a long-term plan and a systematic strategy to be able to carry out this process in the most effective way.

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### 4. Conclusion

The research focuses on the importance of reinforcing issues in the process of changing corporate culture and shares practical experiences from Vietnamese businesses that have succeeded in changing corporate culture. . The main point of the article is to emphasize the importance of the process of consolidating issues when changing corporate culture, helping businesses adapt to the new business environment and improve competitiveness.

The research also shared practical experiences from the enterprise FPT, emphasizing that determining goals and vision, effective communication, creating an environment that encourages innovation, regular evaluation and adjustment, linked to business strategy are important steps. Lessons from these experiences pose a call to action for businesses: proactively change corporate culture, learn from previous successes and build change strategies appropriate to the specific context of the business. In conclusion, changing corporate culture is not only an important process but also the key to business success, requiring reinforcement and learning from fellow businesses.

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