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IT dream yet to become a reality



Many local software workers need to up their game if the industry is to improve

“Doing outsourcing is an opportunity for Vietnam to learn from foreign partners as well as update its technology”

The software and outsourcing industry is still developing below expectation.

“The software industry has not gained what enterprises

expected,” said Ngo Van Toan, vice president of Global CyberSoft Vietnam.

Le Manh Ha, director of Ho Chi Minh City’s Department of Information and Communications said the biggest success of Vietnam’s software industry was Quang Trung Software Centre (QTSC) which is now home to 101 information and communication technology companies.

La Manh Cuong, director of Luxoft Vietnam, said: “Software park is not only the leading place for manufacturing and research and development activities, but also a prior motivation force to push all whole software industry to go further in right direction and collaboration.”

The two big hopes of Vietnam’s software industry, Vietnam-Japan Knowledge Park and Thu Thiem Software Centre in Ho Chi Minh City, remain on paper.

The Vietnam-Japan Knowledge Park was recently fined \$2 million for delaying to deploy the project, said Ha.

“Private enterprises can do well with industrial parks. But, investing in concentrated software parks need big funds and stable human resource,” said Ha.

In fact, the city leaders intended to work with other provinces to build other parks similar to QTSCs.

“These software parks will contribute significantly to make Vietnam become a strong software country in the future,” said Ha.

According to the Ministry of Information and Communications, IT will be a national economic spearhead sector contributing 8-10 per cent to the gross domestic product (GDP) by 2020.

Of which, software in generally and software outsourcing in particularly are key contents to be focused.

Software industry revenue increased 19 times within the last 10 years with an annually average increase of 35 per cent, according to the ICT white book, reached \$1 billion last year.

Software outsourcing brought \$340 million of revenue into Vietnam in 2009.

Ngo Hung Phuong, general director of CSC Vietnam, said that the outsourcing demand could jump up by 50-60 per cent compared to 20-40 per cent last year.

“Doing outsourcing is an opportunity for Vietnam to learn from foreign partners as well as update its technology. Yet, it is not easy for Vietnam to become software outsourcing heaven in the next few years,” said Ngo Duc Chi, CEO of Global CyberSoft Vietnam.

“Vietnam is considered as India+1 in outsourcing,” added Nguyen Huu Le, chairman of TMA Solutions, the second largest Vietnamese software company in Vietnam.

Le added that to make the dream come true, Vietnam should be more competitive in software human resources to compete with China and India.

Currently, human resource is the biggest software industry weaknesses.

“Improving language skills such as English, presentation, communication and leadership skills is the first thing,” said Frank Schellenberg, CEO of GHP Far East.

He hoped Vietnam would use English as a second language like the Philippines, India and Singapore to work with overseas customers.

The shortage of skillful human resources is not only in technical fields such as developers and testers and in other aspects of the whole business operation such as senior management, project management and quality control.

According to a recruitment report released by Renasas Vietnam, only 13 per cent of test takers passed software technical test and 15 per cent of them passed the English test.

Other companies are facing with the poor quality of human resource and a large number of graduates in IT or related fields fail to meet the requirements.

“Software companies are now facing with an acute shortage of human resources and this problem causes heavy impacts on the implementation of software development and outsourcing contracts,” said Toan.

To address this issue, Toan recommended the government need a long-term strategy and consistent policy to develop software which must be carried out concurrently.

Firstly, training programmes must provide harmony among advanced theories and practices and technologies trends.

In order to do this, universities and colleges should tighten the cooperation with industrial experts. In addition, the solution might come from the model of a training organisation based on intensively and effectively leveraging the community of Vietnamese expatriates.

Secondly, software producers should actively map out their own education programmes and provide training courses for their staff because it can not expect graduates to underrate works immediately.

Currently, two-thirds of the one million IT labourers are software specialists. Of them, 200,000 were in outsourcing, Chi estimated.

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