

THE HANOI BRAIN DRAIN

Every year, thousands of young, educated Hanoians make the move to Saigon in search of employment. Why is this happening and what does it mean for Hanoi?

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Ho Chi Minh City is the undisputed economic heartbeat of Vietnam, and has powered much of Vietnam's recent growth. Yet to do this, the city needs talented people. One way to get that talent has been to scoop up many of Hanoi's increasingly educated youth and transport them 1,700km down south.

Has this 'brain drain' been to Hanoi's detriment? And how is the capital managing to keep hold of its most able people?

GRADUATES

According to UNESCO Institute of Statistics, Vietnam's higher education system has grown substantially since 2000. The national gross enrolment ratio (university enrolment as a percentage of the total university-age population) has risen from around 10% to 29% over that period.

Factor in the large amount of Vietnamese students who study abroad and each year return to the country armed with international qualifications, then you have a new workforce which has been educated to a higher level than ever before. Graduates naturally look to apply what they have studied to the world of work. More and more, however, the most talented are finding that the workplace of Hanoi is not compatible with the skills that they acquired, or providing them with the ones they'd like to learn.

Thuy, born during the year of *doi moi* in 1986, moved down to Ho Chi Minh City last year. She currently connects international businesses with locals. After completing an advertising management qualification during the mid-2000s, she found it difficult to find a job that was relevant to her qualifications.

"The job market was really difficult [in the capital]," she says. "My university major was really new and lots of companies didn't know about it. Most of my friends had to change career. Hanoi was a bit behind. They are conservative — to have something new it takes some time."

Thuy is clear that there is a disconnect between the type of degrees which are being



obtained, and the type of work available in Hanoi. It's driving people southwards.

"In Hanoi they have knowledge, study and research," she says. "You will find a lot of experts in science, art and social science. But the trend of people moving to Ho Chi Minh City is that after they gain the knowledge, they move somewhere where they can use it, where they can freely express themselves. [Ho Chi Minh City] is a land where their knowledge and skills will be used best."

Newer, more internationally minded business degrees are popping up which

place a clear emphasis on excellent communication skills. That has revealed a schism at the heart of the Hanoi/Ho Chi Minh City divide. To some, Hanoi is seen as the embodiment of an old-fashioned working culture which Thuy believes, puts many ambitious young prospects off.

"In Ho Chi Minh City, for example, you can use logic and efficiency to motivate staff — 'if you do this, you will get this' — it's pragmatic. In Hanoi it doesn't work in that way. People are not motivated by benefits, they are motivated by pride. It's difficult to change their minds."



GLOBAL CITIZENS

Thu Nga, in her mid-20s, echoes Thuy's sentiments that Hanoi is not doing enough to appeal to the sensibilities of a young workforce who now see themselves as global citizens. A native of Hanoi, she spent five years abroad studying in France, and after spending a year trying to start a career in digital marketing in Hanoi, she decided that she would have to move south if she was going to fulfil her professional potential.

"The style of advertising is 20 years out of date [in Hanoi]," she says. "The people I worked with didn't really wish to try new things. It's part of their culture. Everything is faster in Ho Chi Minh City, and that includes the thinking."

Women like Thu Nga and Thuy want to be part of a system where they are rewarded on merit.

Chi, an executive in the Hanoi office of HR consultancy firm, Talentnet, sees a big skills black hole in certain sections of the Hanoi workforce.

"We recognised this trend clearly," she says. "There is a lack of people to fill the positions we need in sales and marketing. The ones we'd like to hire have already moved to Ho Chi Minh City. There's a limited pool in Hanoi."

She also adds that for many, they have to move to Ho Chi Minh City if they are ambitious: "Companies in Hanoi don't invest in high positions. If someone works at a company in Hanoi they can only reach a certain level. In Ho Chi Minh City they can go further with their talent, they have the potential to be promoted to the very top."

START-UPS

Ho Chi Minh City has built a reputation as a hub for start-ups, and last year the government pledged US\$45 million to support tech start-ups in the city, encouraging many from Hanoi to make the plunge.

Duc embodies the spirit of agile entrepreneurship of the new Vietnam. He's in his late 20s, and alongside his work for an investment firm, he owns a bookstore and a hotel business. Born in Hanoi, he went through high school and university in Singapore and the US, and upon his return to Vietnam in 2013, the thought of setting himself up in Hanoi was unthinkable.

"Saigon is more international," he explains. "I lived overseas for too long. I need to be with diversity and interacting with different cultures. You don't get that in Hanoi."





A RETURN TICKET

But what of those who have moved to Hanoi after a period in Ho Chi Minh City? Was the grass greener? In Vietnam, family still comes first, and the safety net that it provides is a pull that brings many back. Linh, a graduate in business administration, moved back home following the birth of her son, which she says changed everything.

"I moved back to Hanoi because I have a house to stay here," she says. "Since I have a child, I have to save more money and spend wisely. With my high living

standards, affording to rent an apartment in Ho Chi Minh City and expenses for my child is too tiring."

Similarly Cuong Vu was turned off by the dog-eat-dog nature of business in Ho Chi Minh City. "Doing business in Ho Chi Minh City — people abuse each other, take advantage of each other. It affects people's thinking."

It ultimately wasn't an environment that provided the flexibility he needed to provide a stable upbringing for his

daughter, and he moved back to Hanoi where he has been much happier.

The usual complaints of appalling traffic, pollution and concrete claustrophobia aren't going away any time soon. But for the people who have moved down south, and stayed, it's a price worth paying for the professional and personal freedom that they feel Ho Chi Minh City allows.

A bit of healthy competition is surely not a bad thing.. Hanoi — your turn to fight back.