

# 03

Presentation date: January, 2024

Date of acceptance: May, 2024

Publication date: July, 2024

## HIGHER EDUCATION

TOWARDS MEETING SOCIAL NEEDS: ROLE OF GOVERNMENT'S POLICIES AND PERFORMANCE IN VIETNAM

### LA EDUCACIÓN SUPERIOR PARA LA SATISFACCIÓN DE NECESIDADES SOCIALES: EL PAPEL DE LAS POLÍTICAS Y ACTUACIÓN DE GOBIERNO EN VIETNAM

Manh Hoang Van <sup>1</sup>

E-mail: [hoangmanh@tmu.edu.vn](mailto:hoangmanh@tmu.edu.vn)

ORCID: <https://orcid.org/0000-0001-9102-9084>

Uyen Nguyen Thi <sup>1\*</sup>

E-mail: [uyennguyen@tmu.edu.vn](mailto:uyennguyen@tmu.edu.vn)

ORCID: <https://orcid.org/0000-0002-2942-8137>

Duc Dao Le <sup>1</sup>

E-mail: [dlduc@tmu.edu.vn](mailto:dlduc@tmu.edu.vn)

ORCID: <https://orcid.org/0009-0005-8430-2827>

\* Author for correspondence

<sup>1</sup>Thuongmai University (TMU), Hanoi, Vietnam.

#### Suggested citation (APA, seventh ed.)

Hoang Van, M., Nguyen Thi, U. & Dao Le, D. (2024). Higher education towards meeting social needs: Roles of Government Policy and performance in Vietnam. *Universidad y Sociedad*, 16(4), 32-41.

#### ABSTRACT

In the context of market-based economies integrated with the Fourth Industrial Revolution, a higher education that meets social needs is an essential objective. It is insufficient to rely solely on higher education institutions operating under free market mechanism procedures to accomplish this goal in developing market economies such as Vietnam. Promoting the government's role requires a well-coordinated policy system. These policies should create an environment and conditions that guide higher education institutions in implementing training programs that are responsive to social and economic needs. Therefore, this study aimed to explore and evaluate government policy in higher education and its results on meeting social needs in Vietnamese higher education. Based on these findings, the study also suggests some recommendations for government policy to strengthen higher education to meet social needs.

**Keywords:** Higher education, Social needs, Government policy, Stakeholders.

#### RESUMEN

En el contexto de economías de mercado, sobre la base de una integración con la Cuarta Revolución Industrial, una Educación Superior que satisface las necesidades sociales es un objetivo esencial. Es insuficiente confiar en instituciones de Educación Superior que operan bajo los procedimientos de mecanismos de mercado libres para alcanzar la meta antes mencionada, fundamentalmente en países en vías de desarrollo como Vietnam. El papel del gobierno es fundamental, en consonancia con las políticas que incluyan las universidades. Estas políticas deben crear un ambiente y condiciones que guíen las instituciones referidas para llevar a cabo programas de entrenamiento acordes a las necesidades sociales y económicas. Por consiguiente, este estudio pretende explorar y evaluar la política gubernamental en la educación superior vietnamita. Sobre la base de los resultados alcanzados, el estudio recomienda elementos para que la política gubernamental permita que la educación superior pueda aportar soluciones para satisfacer las necesidades sociales.

**Palabras claves:** Educación Superior, Necesidades Sociales, Política Gubernamental, Partes interesadas.

## Introduction

Higher education supports economic growth and poverty reduction in three ways: a) training a workforce with specialized skills and high adaptability, b) generating new knowledge through basic and applied research, and c) driving innovation through the application of new knowledge and technologies (Parajuli et al., 2020) (Ricardo et al., 2021) (Mukul & Büyüközkan, 2023). The results of higher education development in Vietnam over the past period have played a very important role in developing a bachelor's degree in human resources, thereby contributing to accelerating industrialization, modernization, socio-economic development, and improving the living standards of the people. However, it is now believed that Vietnam's higher education growth has not produced results that truly address social demands and are not commensurate with both the potential that exists domestically and that may be utilized from outside.

Meeting social demands has been and continues to be a major concern in higher education in many nations, including Vietnam. Globalization, advances in science and technology, and industrial revolutions—particularly the Fourth Industrial Revolution—all present difficulties. Recent “Labor Force Survey Reports” by the General Statistics Office of Vietnam reveal that a large number of people in Vietnam are unemployed, despite having a bachelor's degree or above.

The existing problems in higher education stem from many causes, which may be due to the existence of factors on the demand side that have hindered the desire to pursue higher education, including the opportunity cost of studying, declining returns to education, and increasing financial burden on households. Supply side factors that affect the output and outcomes of the education sector include skill mismatch, lack of capital, and a fragmented institutional structure (World Bank, 2022). In the context of the increasingly powerful and widespread Fourth Industrial Revolution, which has a comprehensive impact on the socioeconomic landscape, the limitations in the quantity and quality of university-educated human resources make it even more difficult to seize opportunities and cope with the challenges posed by the Fourth Industrial Revolution. To address these issues, Vietnam needs to develop and implement appropriate macroeconomic policies for higher education to create an environment in which the supply and demand sides of higher education come closer together. It is necessary to ensure that education and industry are closely linked to solve this challenge, to train new generations to be confident with technology, and to continuously learn and improve themselves (Almela, 2023).

Vietnam is developing and implementing a set of policies targeted at bringing supply and demand in higher education together within the framework of a socialist-oriented market economy, all while making use of the state's supportive and regulatory role. Vietnam is organizing the development of a market economy model while utilizing the regulatory and supportive role of the government within the framework of a socialist-oriented market economy. It has also been building and implementing a system of policies aimed at connecting supply and demand in higher education. These policies have emphasized encouraging higher education institutions to provide training that meets social needs. Therefore, the purpose of this research is to clarify the role and current status of Vietnam's policies in creating an environment and conditions for convergence between the supply and demand sides of university education. Consequently, this study proposes important solutions to improve policies for higher education for the government, as well as related stakeholders.

### **Higher education towards meeting social needs and its contributors.**

Luong et al. (2010) argue that higher education towards meeting social needs is:

a kind of education where: What to teach? How do I teach? How many to teach? at what price? are guided by the needs of employers and students' WTP. Consequently, higher education systems can meet the demands for scale, structure, and quality from employers.

According to Nguyen et al. (2011), “higher education based on social needs is an education system based on the demand for university-level labor in agencies, enterprises, the labor market, and education for industrialization and modernization, serving the development of the country's productive forces”. Pham et al. (2014) argue that “the task that the education sector needs to do is to create working people and graduates with the ability to adapt to the working environment as quickly as possible”. According to Ho (2013), “Higher Education based on social demands is based on the quantity, quality, and occupational structure requirements of the labor market. Additionally, the labor market includes the government, enterprises, organizations, and individuals using labor”. Furthermore, according to Hoang (2016), Higher Education can be understood in order to meet social needs in two ways: (1) higher education institutions provide the right programs that society needs in both quality and quantity, and (2) higher education towards meeting social needs can be understood as the level of graduates in meeting the expectations of labor users. From a broader perspective,

Higher Education towards meet the social needs of different stakeholders, such as students, employers, and the government.

### **Contributors of higher education system.**

The training capacity of higher education institutions plays a decisive role in terms of scale, structure, and, especially, the quality of training. The capacity to meet the social needs of higher education institutions is the full capacity and condition that universities can mobilize and gather to organize the provision of training services, thereby cultivating and developing competencies in knowledge (Oliveira & De Souza, 2022), skills, and professional attitudes to ensure they are appropriate to social needs in terms of scale, structure, and quality. The capabilities and conditions that each higher education institution may have to form the capacity to provide training services to meet social needs are formed from the following main components: faculty, training program, and facilities.

### **The social needs of higher education: Learners and employers.**

The social needs for higher education play a significant role in forming the basis for the development of the training sector and determining enrollment targets appropriate to the training capacity associated with the specific mission and training objectives of each higher education institution.

The social demand for higher education is the demand of learners in relation to and governed by the needs of employers as well as other stakeholders, the requirements of socioeconomic development, and the demands of the labor market, within the local, national, and even international scope. Employers include units and organizations such as state management agencies, training institutions, research centers, educational institutions, enterprises, political-social organizations, and non-governmental organizations.

According to the World Bank (2012), higher education is a “whole” and “includes both higher education institutions and those who interact with it, and the result of higher education is the product of the interaction of all these elements, including the linkage between higher education institutions and enterprises.” Therefore, the linkage between higher education institutions and enterprises will bring great benefits to shaping higher education to meet social needs. The requirements and issues raised by business practices are the roots of ideas, innovation, and the development of training programs at universities. Thus, the degree of linkage between higher education

institutions and the recruitment sector is essential for higher education to meet social needs.

### **Government policy in higher education towards meeting the social needs.**

Government policy is of the utmost importance for the development of higher education towards meet the needs of society. Neave & Van Vught (1994) assert that government policy towards higher education plays a crucial role in both developed and developing countries. They described government policy as efforts to control the decisions and behaviors of participants in a particular social field towards the objectives set by the government through the use of tools and arrangements.

According to Van (2017):

the basic role of public policy is the main effective tool for the government to perform its functions and duties, maintain the existence and development of the state, and develop and serve the people. From the perspective of national management and governance, the government uses public policy as an important tool to manage society and achieve the state's-oriented objectives.

Some other authors have similar views to Van (2017) on the role of public policy, which is manifested through specific aspects: (1) orienting objectives for stakeholders; (2) creating motivation for participants to engage in activities towards common goals; (3) promoting positive aspects while overcoming the limitations of the market economy; (4) creating balances in development; (5) controlling and allocating resources in society; (6) creating a suitable environment for activities; and (7) promoting coordination of activities between levels and sectors.

The policy regarding higher education that meets social needs mentioned here is a public policy, and it plays a role as a tool used by the state; therefore, its role is also reflected in basic contents like public policies in general. Through the use of tools, measures, or partial policies, the goal is to create an environment and conditions to support, promote, and ensure that higher education institutions can establish necessary elements to implement training that meets social needs.

There are several policies in higher education that the government can use to sustain higher education towards meet social needs. Typical higher education policies include university autonomy policy, policy towards the accountability implementation of universities, policies for the development of training programs, determining enrollment targets that are appropriate for the training capacity, and aligning with the social needs of higher education

institutions, higher education policies Towards learners, higher education Policies Regarding the Development of Linkages and Collaboration Between Universities and Employers.

### Assessment of Higher education Policies in Vietnam.

The Vietnamese government has used a system of various policy tools to support, promote, and ensure that higher education institutions implement training to meet social needs. Here, we summarize and analyze some of the key policies that play a prominent role in supporting, promoting, and binding higher education institutions to implement training that meets social needs.

#### University autonomy policy.

This policy allows higher education institutions to become more autonomous in areas such as organizations, personnel, finance, and training programs. The goal is to enable these institutions to adapt their training to meet the evolving needs of society.

The “Renovation” process in Vietnam began in 1986 and took place on a large scale, with the transition from a centralized planned economy to a “socialist-oriented market economy” model using a market mechanism combined with the regulatory role of the state. The renovation process in the field of higher education lagged behind other areas of socio-economic life in the form of the socialization of education being promoted with the emergence of the private sector in providing higher education services. Public higher education institutions have gained more autonomy, with students contributing more to tuition fees.

The Vietnamese government’s policies towards higher education since the “Renovation” period have been oriented towards promoting the formation of a diverse higher education system of public and non-public institutions, in which public higher education institutions have been gradually granted more autonomy in their training organization. According to the current policies, different groups of higher education institutions have varying degrees of autonomy. Public higher education institutions have lower autonomy than non-public higher education institutions. Non-public higher education institutions have comprehensive autonomy in mobilizing and using resources to provide training services, with the ability to self-determine tuition fees at a much higher level compared to the public higher education sector, but they receive almost no funding from the government budget. Public higher education institutions have varying levels of autonomy and ways of mobilizing resources for training. On October 24, 2014, the government of Vietnam issued Resolution No. 77/NQ-CP on the pilot renovation of the operating mechanism for public higher education institutions in the period to 2014-2017, with the purpose of encouraging public higher education institutions to actively exploit and use reasonably and effectively resources to improve the quality of higher education and reduce expenditure from the government budget, while not reducing the opportunity for poor students and policy-targeted students to access higher education. In fact, the issue of university autonomy, including both public and non-public higher education institutions, has been stipulated in the Higher Education Law issued in 2012 (Law No. 08/2012/QH13). After a trial period with positive results, the issue of university autonomy was further clarified in Law Amending and Supplementing a Number of Articles of the Higher Education Law, issued in 2018 (Law No. 34/2018/QH14). The survey results of 115 higher education institutions’ leaders show that the appropriateness of the government management policy towards implementing university autonomy is assessed as very low for the issue of state control over higher education institutions through the managing agency mechanism. However, the current regulations of the Vietnamese government on the autonomy rights of higher education institutions have been assessed at a higher level (Table 1).

Table 1: Assessment of the appropriateness of state management policy towards implementing university autonomy.

	N	Min	Max	Mean	Standard Deviation
Mechanism of managing agency for higher education institutions	115	1.0	4.0	2.383	.6567
Regulations on the autonomy rights of higher education institutions	115	2.0	5.0	3.426	.7843

Source: University leaders’ perception Survey of higher education policy.

## Policy towards the accountability implementation of universities.

According to Pham (2012), accountability:

is the acknowledgment of responsibility for any actions, products, decisions, or policies that we make in leading, managing, and performing work? The ability to account for responsibility is understood as the capacity to fulfill the obligation to provide full information, the capacity to justify one's past or future actions, and to be subject to punishment if such actions violate ethical and legal rules.

Accountability can be understood as "the moral and administrative obligation to report on activities and results, to explain the level of achievement, and to be responsible for outcomes" (Salmi, 2009) based on a cost-effectiveness approach. Currently, along with increasing autonomy, higher education institutions must be accountable to key stakeholders, such as the government, major sponsors, learners, partners, learners' parents, and society in general (Table 2).

Table 2: Accountability of public higher education institutions in Vietnam.

		Aspects of accountability		
		Academic	Financial	Equity
Entities monitoring the implementation of accountability	Government	+ Licensing + Accreditation + Inspection + Reporting + University Council	+ Auditing + Budget allocation based on performance + Inspection + Reporting + University Council	+ Inspection + Reporting + University Council
	Students and parents	+ Allow dropout with transferable credits + Accreditation + Reporting + University Council	+ Reporting + University Council	+ Reporting + University Council
	Community	+ Reporting + University Council + Accreditation	+ University Council	+ Scholarships and student loans + University Council

Source: Salmi (2009); Vidovich & Slee (2001).

Fully aware of the role of accountability implementation for increasingly autonomous higher education institutions, the Vietnamese government has developed and implemented policies on accountability for higher education institutions. Currently, the accountability of higher education institutions is stipulated in Law No. 08/2012/QH13 and Law No. 34/2018/QH14. Currently, higher education institutions in Vietnam implement the accountability mechanism mainly in the forms of licensing, accreditation, inspection, reporting, university council, auditing, budget allocation based on performance, allowing dropouts with transferable credits, and scholarships and tuition fees. Each accountability mechanism is used to target one or more groups, such as the government, community, students, or parents, in different aspects. The survey shows a clear polarization in the evaluation of specific regulations within the overall accountability policy for higher education institutions. Among them, the regulations on quality accreditation of higher education institutions are assessed at a fairly high level, indicating the trust of the representative leaders of higher education institutions in the policy of implementing accountability through higher education quality accreditation (Table 3).

Table 3: Evaluation of the appropriateness of the policy of implementing accountability for higher education institutions.

	N	Min	Max	Mean	Standard Deviation
Regulations on Public Disclosure of Training Capacity for Higher Education Institutions	115	2.0	5.0	3.263	.6257
Regulations on Reporting Requirements for Higher Education Institutions to the Ministry of Education and Training	115	1.0	4.0	2.565	.5753

Regulations on Inspection and Supervision of Higher Education Institutions	115	2.0	4.0	3.161	.6154
Regulations on Quality Accreditation for Higher Education Institutions	115	3.0	5.0	3.658	.5861

Source: University leaders' perception Survey of higher education policy.

### **Policies for the development of training programs, determining enrollment targets that are appropriate for the training capacity while also aligning with the social needs of higher education institutions.**

In the context of the economic transition from a centralized planned economy to a market-driven economy, the training activities of higher education institutions have faced many limitations. The Vietnamese government has established and implemented policies to support, promote, and ensure that higher education institutions can develop training programs, determine enrollment targets, and adjust the scale of training. On the one hand, this must align with the institutions' training capacity; on the other hand, it must align with social needs. To achieve this objective, various documents have been issued, including Circular No. 08/2011/TT-BGDDT, which has been replaced by Circular No. 22/2017/TT-BGDDT; Circular No. 14/2010/TT-BGDDT, which has been replaced by Circular No. 24/2017/TT-BGDDT; Circular No. 32/2013/TT-BGDDT, Circular No. 24/2017/TT-BGDDT, and Circular No. 06/2018/TT-BGDDT. These documents stipulate that higher education institutions must meet requirements regarding faculty, facilities, and training programs listed in the National Qualifications Framework. If a program is not yet within the framework, it can be opened based on specific regulations. According to the current regulations, higher education institutions need to develop training programs and determine enrollment targets that are appropriate for the social needs and the needs of learners; aligned with the human resource requirements for the socio-economic development of the local area, region, and country; suitable for the functions and missions of the training institution; and consistent with the development directions and plans of the training institution. A survey found that the level of appropriateness of the policies for developing training programs and determining enrollment targets to meet social needs was only rated as "fairly appropriate" (Table 4).

**Table 4: Assessment of the appropriateness of policies for the development of training programs and determination of enrollment targets in higher education to meet social needs.**

	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Standard Deviation</b>
Regulations on Determining Enrollment Targets for Higher Education	115	1.0	4.0	3.070	.6847
Regulations on Offering and Withdrawing Decisions of Training Programs	115	2.0	4.0	3.130	.6145

Source: University leaders' perception Survey of higher education policy.

### **Higher education Policies Towards Learners.**

Learners are key stakeholders who are directly involved in higher education. Learners hold a very important position in training that aims to meet social needs. Learners' choices of majors and training institutions, as well as their mindset, attitudes, and responsibilities in learning, are considered decisive factors for the outcomes of higher education in meeting social needs. Furthermore, in the context of a market-oriented economy with high levels of international integration, autonomous higher education institutions provide training services, and learners are viewed as consumers of the training services provided by these institutions with the expectation of gaining many personal benefits. Therefore, they have the responsibility to pay for the consumption of training services, and the general trend in higher education is that the "consumers must pay" principle is becoming increasingly widespread. To support higher education institutions in providing training that meets social needs, the Vietnamese government has developed and issued policies to influence the demand side of higher education services - the students. Policies for students include tools to guide students' choice of majors and places of study through career guidance activities, and financial support through credit policies, tuition fee exemption and reduction, and scholarships. Policies for students are recognized in Decision No. 157/2007/QĐ-TTg of the Prime Minister "credit for students" issued on September 27, 2007; Decree No. 49/2010/ND-CP dated May 14, 2010 of the government "Regulations on tuition fee exemption and reduction, support for study costs and the mechanism for collecting and using tuition fees for educational institutions within the national education system from

the 2010 - 2011 school year to the 2014 - 2015 school year” and later replaced by Decree No. 86/2015/ND-CP dated October 2, 2015 “Regulations on the mechanism for collecting, managing tuition fees for educational institutions within the national education system and policies on tuition fee exemption and reduction, support for study costs from the 2015-2016 school year to the 2020-2021 school year”. The results of a survey of opinions from 115 leaders representing 115 higher education institutions indicate that the level of appropriateness of policies for students supporting higher education that meets social needs is evaluated with very clearly differentiated scores. Representatives of the leadership of higher education institutions highly evaluate policies on credit as well as policies on tuition fee waivers and reductions for students while evaluating the policies on career guidance for students (Table 5).

Table 5: Evaluation of the Appropriateness of Policies for Students.

	N	Min	Max	Mean	Standard Deviation
Student Credit Policies	115	1.0	5.0	3.322	.8939
Tuition Fee Waiver and Reduction Policies for Students	115	2.0	4.0	3.122	.6233
Career Guidance Policies for Students	115	1.0	3.0	2.061	.6661

Source: University leaders' perception Survey of higher education policy.

### Higher education Policies Regarding the Development of Linkages and Collaboration Between Universities and Employers.

Linkages and collaborations between universities and businesses are common practices worldwide. This cooperation has a positive impact on the training activities of higher education institutions. The close linkage between universities and industries is essential for creating skilled, knowledgeable, and innovative human resources that meet the needs of the labor market and drive sustainable development (Parajuli et al., 2020). Stakeholders, including the Vietnamese government, have also clearly recognized the significance of the relationship between higher education institutions and employers, mainly businesses, in implementing training that meets social needs. The issue of the relationship between higher education institutions and businesses in particular, and the entities of the professional world in general, is stipulated in the current legislative documents of Vietnam, but it is vague and lacks feasibility. In reality, the linkage and cooperation between higher education institutions and employers in carrying out the training mission has been and is developing significantly, mainly because of the internal needs in the development of training activities of higher education institutions, with little supportive impact from state policies. The impact of state policies on the school-business relationship primarily stops at the scope of encouragement and allows for development by competent authorities.

### Vietnam Higher education performance in social need perspective.

Under the comprehensive impact of the state's system of policies for higher education, oriented towards aligning supply and demand in higher education, Vietnam has achieved very positive results in higher education oriented towards meeting social needs. However, the results achieved in higher education meeting social needs are still not as expected by stakeholders, especially the requirements of the socialist-oriented market economy in the context of deepening international integration and the impact of the Fourth Industrial Revolution.

Vietnam's higher education system has experienced rapid development since the implementation of the “Doi Moi” (Renovation) policy. Data from the Ministry of Education and Training of Vietnam show that, as of the 2021-2022 academic year, Vietnam has 242 universities, of which 175 are public higher education institutions and 67 are non-public higher education institutions. Of a total of 78,190 lecturers, 25,366 were doctoral degree holders, accounting for 32.44% of the total number of lecturers at higher education institutions (in 2013, the corresponding ratio was 14.3%). With continuous improvements in physical infrastructure and faculty, the level of higher education meeting social needs has also changed positively. The enrollment size, training scale, and number of university and postgraduate graduates have fluctuated by year, but the overall trend has increased from 2017 to 2022 (Table 6).

Table 6: Some indicators on students at different levels of higher education from 2017-2022. Unit: number of students.

Academic Year	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
New Undergraduate Enrollment	437.156	413.277	447.483	519.601	568.856
Total Undergraduate Enrollment	1.707.025	1.526.111	1.672.881	1.905.956	2.145.426
Undergraduate Graduates	341.633	311.599	263.172	242.378	245.173
New Postgraduate Enrollment	48.106	43.656	36.925	34.302	31.976
Postgraduate Enrollment	121.253	108.134	105.974	115.945	121.586

*(The data does not include universities and academies under the National Defense and Security systems).*

Source: Higher Education Statistics of the Ministry of Education and Training.

Comparing absolute indicators, the level of meeting social demands in higher education in Vietnam has seen an increase over time. However, when compared in relative terms, according to the Ministry of Education and Training of Vietnam, Vietnam currently only achieves a ratio of 215 students per 10,000 people, which is still low compared to the region and lower than the average of OECD countries. In addition, according to the Ministry of Education and Training of Vietnam, the proportion of the population aged 18-22 receiving higher education has increased from 25.2% in 2013 to 35.4% in 2021. According to data from the General Statistics Office of Vietnam, the proportion of workers with a university degree or higher is very low in the total labor force (Table 7). The World Bank (2022) noted that “Vietnam has achieved good results in providing quality general education for the people, but has not achieved much success in post-secondary education,” “Vietnam’s post-secondary enrollment rate in 2019 was only 28.6%, lower than the compared countries in the region and lower than the average enrollment rate of 55.1% in upper-middle-income countries”.

Table 7: Proportion of labor force aged 15 and above with technical professional training by qualification level, during the period 2018-2022. Unit: %

Year	2018	2019	2020	2021	Preliminary 2022
General	22	22,8	24,1	26,1	26,4
Primary	3,6	3,7	4,7	6,8	7,1
Secondary	5,2	4,7	4,4	4,1	3,7
College	3,7	3,8	3,8	3,6	3,7
University and above	9,5	10,6	11,1	11,7	11,9

(Data excludes universities and academies under the National Defense and Security system).

Source: Vietnam Statistical Yearbook 2022.

From a training quality perspective, Vietnam’s higher education institutions have made significant progress in recent years. However, there are still many issues related to social needs. The extent to which Vietnam’s higher education system meets social demands is considered low. This is not only because of the difficulty in accessing higher education, which results in a low rate of youth enrollment in university-level programs, but also because the skills of many graduates are not well aligned with market demands. This has led to a decline in the returns on education and skills, measured by the change in hourly wage rates of post-secondary educated workers compared to those with less than

primary education, from 70% in 2010 to 50% in 2020. This is partly due to the relatively low relevance of graduates' skills to the labor market, with Vietnam ranking third from the bottom among 140 countries assessed in the 2018 Global Competitiveness Index for the skill relevance of graduates (World Bank, 2022). This indicates that the responsiveness of higher education to social needs is limited not only in terms of quantity but also in terms of quality.

## MATERIALS AND METHODS

This paper utilizes secondary data collected from published research projects related to the assessment of higher education in meeting social needs perspectives, as well as state policies regarding higher education responsive to social needs. Secondary data were also extracted from reports published by the World Bank, General Statistics Office, and Ministry of Education and Training of Vietnam.

The study also uses primary data from a survey conducted with participants who are representatives of higher education institutions. To collect feedback from leaders of higher education institutions, a questionnaire with content related to evaluating the suitability of government policies on higher education towards meet social needs was sent to respondents through email or direct form filling. A 5-point Likert scale was used to collect evaluation feedback from the respondents.

After collecting the data, SPSS software (version 22.0) was used to evaluate the effectiveness of government policies as well as higher education performance based on the perception of the university's leaders. In addition, the article uses analysis tools such as comparison, induction, deduction, description, and data tables to perform descriptive analysis and evaluate the suitability of policies for higher education in meeting social needs perspectives.

## RESULTS AND DISCUSSION

Empirical evidence from Vietnam shows that for higher education to effectively meet the needs of stakeholders, it requires effort from multiple parties, the supply side, the demand side, and intermediaries. The supply side, which is represented by the training capabilities of higher education institutions, plays a decisive role. In a developing, market-oriented economy like Vietnam, the training capabilities of higher education institutions to meet social needs remain limited. The government's role in issuing and implementing a comprehensive system of solutions is, therefore, very important in supporting and driving higher education institutions to provide training that is responsive to social needs.

To achieve even better results in higher education that is aligned with social needs, Vietnam needs to continuously improve its policies to create a favorable environment and conditions for higher education institutions to provide training that meets social demands. Specifically, policies that support the determination of enrollment quotas linked to training capabilities and industry needs should focus on improving this overall effort. Additionally, policies to support higher education institutions in autonomously developing their training capacities, while also effectively implementing accountability, as well as policies to strengthen the connection between higher education and the employment world, need greater attention. Policies for students also need to be refined to empower them (the demand side) in selecting majors and training institutions, thereby exerting pressure on higher education institutions to provide training that is responsive to social needs.

Hence, government policies play an important role in sustaining the effectiveness of education system. A suitable policy sustains the linkages among universities and different stakeholders, and aligns supply and demand to equip graduates with the skills and knowledge required by the labor market and society. Therefore, higher education institutions must quickly adapt their curricula, teaching methods, and program offerings to keep pace with changing social, technological, and economic trends. As a result, higher education institutions will be more active and innovative in meeting social needs.

## CONCLUSIÓN

Enhancement of Higher education towards meet social needs is a vital requirement in market-based economies integrated with the Fourth Industrial Revolution. To achieve the goal of higher education that meets social requirements, it is not enough to rely solely on institutions operating under a free market mechanism. It is necessary to promote the government's role by formulating a system of policies to create an environment and conditions to guide higher education institutions to implement training that responds to social needs.

## REFERENCES

- Almela, T. (2023). Impact of the Industry 4.0 on Higher Education. In *The Sustainable University of the Future: Reimagining Higher Education and Research* (pp. 149-164). Cham: Springer International Publishing. [https://link.springer.com/chapter/10.1007/978-3-031-20186-8\\_9](https://link.springer.com/chapter/10.1007/978-3-031-20186-8_9)

- Ho, C. H. (2013). *Management of Teacher Training to Meet the Educational Needs of Lower Secondary Schools in the Southeast Region*, Doctor of Educational Management, Vietnam Institute of Educational Sciences.
- Hoang, D. T. (2016). Cooperation between Universities and Enterprises in Undergraduate Training, Training Advanced, High-Quality and POHE Programs to International Standards, Proceedings of the International Scientific Conference, National Economics University.
- Luong, X. Q., et al. (2010). *Research on Developing a Support Mechanism for Training Based on Social Needs*, National Research Project, University of Economics and Law, Vietnam National University - Ho Chi Minh City.
- Moraes, E. B., Kipper, L. M., Hackenhaar Kellermann, A. C., Austria, L., Leivas, P., Moraes, J. A. R., & Witczak, M. (2023). Integration of Industry 4.0 technologies with Education 4.0: advantages for improvements in learning. *Interactive Technology and Smart Education*, 20(2), 271-287. <https://www.emerald.com/insight/content/doi/10.1108/itse-11-2021-0201/full/html>
- Mukul, E., & Büyüközkan, G. (2023). Digital transformation in education: A systematic review of education 4.0. *Technological forecasting and social change*, 194, 122664. <https://www.sciencedirect.com/science/article/abs/pii/S0040162523003499>
- Neave, G., & Van Vught, F. A. (1994). *Government and Higher Education Relationships across Three Continents: The Winds of Change. Issues in Higher Education Series, Volume 2*. Pergamon Press, Elsevier Science Ltd., The Boulevard, Langford Ln., Kidlington, Oxford OX5 1GB, England, United Kingdom. <https://eric.ed.gov/?id=ED387074>
- Nguyen, T. H. (2011). *Solutions for Developing Training to Meet Social Needs for the Work-Study Form in the Economics Sector in Vietnam*, National Research Project, University of Economics - National University, Hanoi
- Oliveira, K. K. D. S., & De Souza, R. A. (2022). Digital transformation towards education 4.0. *Informatics in Education*, 21(2), 283-309. <https://www.ceeol.com/search/article-detail?id=1045455>
- Parajuli, D., Vo, D. K., Salmi, J., & Tran, N. T. A. (2020). Improving the performance of higher education in Vietnam: Strategic priorities and policy options. <https://policycommons.net/artifacts/1256202/improving-the-performance-of-higher-education-in-vietnam/1822656/>
- Pham, D. C., Nguyen, T. D., et al. (2014), *Higher Education in Vietnam: A Perspective from Modern Economic and Financial Theory*, National Political Publishing House - Truth, Hanoi, Hanoi.
- Pham, L. T. (2012). University autonomy and accountability: the relationships between state, higher education institutions and society. *Science and Technology Development Journal*, 15(1), 57-66. <http://stdj.scienceandtechnology.com.vn/index.php/stdj/article/view/1783>
- Ricardo Cabrera, H., Rodríguez Pérez, B., León González, J. L., & Medina León, A. (2021). Bases y oportunidades de la vinculación universidad-empresa. *Universidad y Sociedad*, 13(1), 300-306. [http://scielo.sld.cu/scielo.php?pid=S2218-36202021000100300&script=sci\\_arttext](http://scielo.sld.cu/scielo.php?pid=S2218-36202021000100300&script=sci_arttext)
- Salmi, J. (2009). The growing accountability agenda in tertiary education: Progress or mixed blessing?
- Van, T. T. (2017). Capacity for Public Policy-Making and Its Manifestation in Vietnam. *Vietnam Social Science Journal*, 5(114)-2017, pp. 3-10.
- Vidovich, L., Slee, R. (2001). Bringing universities to account? Exploring some global and local policy tensions. *Journal of Education Policy*, 16(5), 431-453. <https://www.tandfonline.com/doi/abs/10.1080/02680930110071039>
- World Bank (2022), Educate to growth. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099408408052216389/idu095369e8107d0204a380a7620a5aa99d93856>