



MAGAZINE

VINATEX

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Mr. Le Tien Truong
Party Secretary – Chairman of Board of
Directors of Vinatex

Measuring the effectiveness

OF HUMAN RESOURCE MANAGEMENT solutions for determining the right direction for hr departments



Human Resource Management (HRM) activities have shifted from administrative tasks to a strategic role, with objectives focused on policy development, workforce planning, and resource development. Challenges from the labor market, such as high turnover rates and difficulties in recruiting high-quality employees, have made HRM a critical factor for the survival of businesses.

A highly effective work system in an enterprise is the proper integration of people, technology, and organizational structure to maximize resources and opportunities to achieve goals. Additionally, a "customer-oriented approach" allows HR to deliver tailored services to specific customer groups: managers, strategic planners, and employees.

METHODS FOR EVALUATING HRM EFFECTIVENESS:

❖ **HRM Audits:** A comprehensive assessment of HR functions through indicators such as workforce allocation, compensation and benefits, training, performance evaluation, and employee development, including:

- Days to meet recruitment needs, turnover rates, training costs per employee, labor productivity, fairness in salary systems, and benefits policies.

❖ HR Data Analysis:

- Using ERP systems to calculate the ROI of HR programs.
- Quantifying the costs of workforce fluctuations (recruitment, training, and productivity losses) and improving efficiency by analyzing

work communication flows, identifying bottlenecks, and determining critical roles.

SUGGESTED PROGRAMS FOR 2025:

- ❖ Quantify business costs when skilled workers leave.
- ❖ Establish warning indicators, such as:
 - Voluntary turnover rates, probation completion rates, training costs, and actual unit income compared to regional averages.
- ❖ Assess training effectiveness and utilize data from emails and ERP systems to improve performance.
- ❖ Innovate employee benefits programs beyond traditional frameworks.

HRM is a critical factor for sustainable development in the textile and garment industry, which relies on a large workforce and faces challenges with limited compensation competitiveness. Innovating HRM, leadership attention, and budget investments are urgent tasks that must be prioritized. □



CAREER DEVELOPMENT: IMPORTANCE, ROADMAP, AND STAKEHOLDER RESPONSIBILITIES



Career Development is one of the core factors that help individuals achieve their professional goals while contributing to improving organizational performance. For individuals, career development opens opportunities for advancement, improves income, enhances skills, broadens knowledge, and unlocks their potential. From an organizational perspective, building a career development roadmap for employees is key to attracting, retaining, and maximizing the capabilities of the workforce, creating a sustainable competitive advantage.

ROLE OF CAREER DEVELOPMENT

❖ For Employees:

- Supports career orientation, establishes achievable goals, and develops skills.
- Enhances personal capabilities and job satisfaction.

❖ For Organizations:

- Attracts and retains high-quality talent.
- Improves work performance and builds a modern, transparent corporate culture.

CAREER PATH

A career path is a time-based professional development plan and includes the following main types:

- 1. Vertical:** Advancement within the same field.
- 2. Horizontal:** Skill expansion through roles at the same level across departments.
- 3. Diagonal:** A combination of advancement and skill development through various roles.
- 4. Leadership:** Developing management skills to achieve senior-level positions.
- 5. Specialist:** Focusing on deep expertise in a specific field.

CAREER DEVELOPMENT PROCESS

The process consists of 4 steps:

- 1. Self-Assessment:** Identify personal needs and capabilities.
- 2. Evaluation:** Analyze strengths, weaknesses, and suitability.

3. Goal Setting: Establish clear, achievable goals at each stage.

4. Action Plan Execution: Implement and periodically review to adjust the roadmap.

RESPONSIBILITIES OF STAKEHOLDERS

Employees: Conduct self-assessment, set goals, proactively develop skills, and seek opportunities.

Organizations: Provide information, ensure resources, support training, and establish a transparent career roadmap.

HR Department: Play a core role in designing and implementing career development policies.

RECOMMENDATIONS

For Individuals: Set clear goals, develop skills, seek mentors, and take initiative in their work.

For Organizations: Design specific career paths, invest in training, foster a learning culture, and offer competitive benefits. □





To Achieve Better Results in 2025

BREAKTHROUGH PROGRESS IS NEEDED

The global textile – garment market began to show signs of recovery, growing by 3% compared to 2023, with total demand reaching \$794 billion, although this figure remains 8% lower than in 2022.

In this context, Vinatex achieved consolidated revenue of VND18.1 trillion (102.8% yoy), pre-tax profit of 740 billion VND (137.5% yoy), export turnover of \$1.865 billion (103.67% yoy), and an average income of 10.1 million VND/person/month (106.9% yoy).

VINATEX'S KEY INNOVATIONS IN 2024

- Established the Product Development and Fashion Business Center.
- Implemented the ERP system to enhance productivity and management efficiency.
- Promoted sustainability initiatives, including investments in wastewater treatment and the construction of a model green industrial park.

2024 was a challenging year for Vietnam's economy, amid global geopolitical fluctuations and severe natural disasters. However, Vietnam's economic growth still reached 6.8–7%, thanks to effective government management and the efforts of businesses. The Vietnam National Textile and Garment Group (Vinatex) identified the need for methodical preparations in markets, finances, and human resources to meet new demands in both domestic and international textile – garment markets.

- Improved production efficiency in the yarn sector, reducing losses by 90% compared to 2023.

OUTLOOK FOR 2025

The year 2025 is forecasted to remain unpredictable and challenging, requiring constant monitoring and updates. The IMF projects global economic growth to stabilize at 3.2%, but risks such as geopolitical instability, supply chain disruptions, and climate change persist. Vietnam's economy is expected to maintain stable growth, benefiting from opportunities as orders shift away from China due to tariff policies.

Despite anticipated challenges, Vinatex aims to increase revenue by 6% and profit by 10% compared to 2024.

STRATEGIC DIRECTIONS FOR 2025

❖ Yarn Sector:

- Expand collaborations in global supply chains.
- Standardize management data and upgrade technological equipment.
- Deepen participation in global value chains while maintaining product quality and domestic markets.

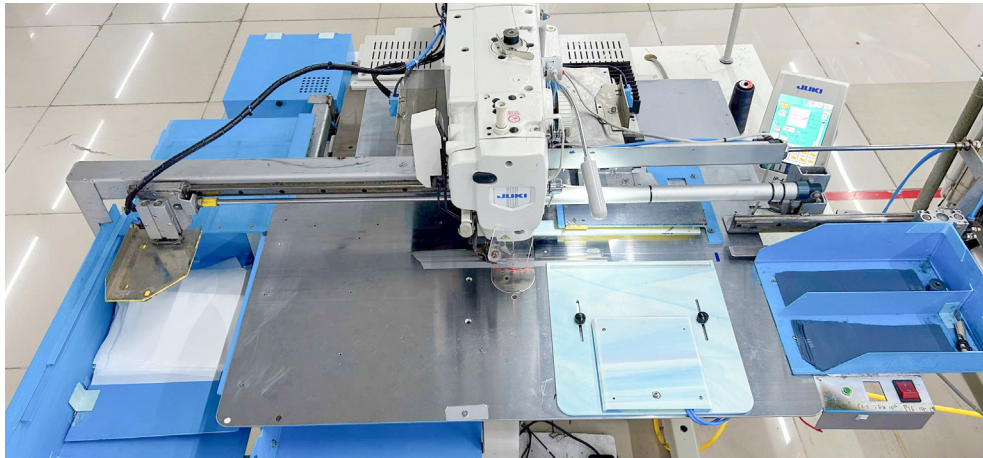


❖ Garment Sector:

- Strengthen connections between enterprises within the Group and with textile-dyeing units to guide production.
- Invest in smart garment technologies and reduce reliance on manual labor.

By implementing these strategies, Vinatex aims to secure its position in the global market and achieve sustainable growth in the years to come. □

The Foundation for Applying **AUTOMATION** IN POCKET LINING SEWING



The garment industry is experiencing a strong impact from the 4.0 Industrial Revolution, with automation becoming increasingly prevalent. At the Veston Garment Factory of Hoa Tho Textile and Garment Corporation, engineer Nguyen Duc Manh has successfully upgraded the JUKI AMS-221EN 3020 programming machine into an automated pocket sewing machine. This innovation,

introduced at the 2024 Textile and Garment Creative Labor Festival, enhances productivity and reduces costs in the pocket lining sewing process for vests.

Sewing pocket linings for vests demands high precision and aesthetic standards. However, traditional methods have several limitations, while dedicated automated pocket sewing machines are very

expensive. To address this, Nguyen Duc Manh researched and transformed the programming machine into an automated pocket sewing machine.

Initially, Mr. Manh lacked formal training in electronics and automation, relying instead on self-learning through online resources and multiple trials. Thanks to the Hoa Tho Board of Directors' supports, his improved machine can fold fabric edges quickly and accurately, meeting stringent customer standards.

The innovation was completed in two months and officially deployed in November 2023, enabling the Veston Garment Factory to achieve higher productivity and lower costs.

OUTSTANDING BENEFITS OF THE INNOVATION

- 1. Increased Productivity and Quality:** The upgraded machine ensures uniform stitching, reduces technical errors, and improves product quality.
- 2. Cost Savings:** By avoiding investment in expensive specialized pocket sewing machines, the factory saves significant costs to invest in other production activities.
- 3. Optimized Workforce:** The machine can be operated by workers with minimal skills, reducing pressure on recruitment and training.



4. Expanded Applications: This innovation lays the foundation for automating other processes such as sewing coat plackets and button stitching, enhancing international competitiveness.

SIGNIFICANCE AND INSPIRING CREATIVITY

Nguyen Duc Manh's innovation is not only a technical solution but also a catalyst for fostering a culture of innovation at the Veston Garment Factory. This success motivates technicians and workers to continue researching and improving processes, contributing to the sustainable growth of Hoa Tho and the Vietnam National Textile and Garment Group.

The JUKI AMS-221EN 3020 programming machine upgrade is a pivotal achievement. It boosts production efficiency, saves costs, increases productivity, and opens opportunities for further automation. This advancement significantly enhances the competitiveness of Vietnam's garment industry in the global market. □

THE "GREEN" TREND

A NECESSITY ON THE PATH TO CIRCULAR ECONOMIC DEVELOPMENT

The year 2025 is expected to mark a significant milestone in Vietnam's efforts to develop a green and circular economy. The government and businesses have pledged to reduce emissions, aiming for net-zero emissions by 2050, while implementing solutions for recycling, reusing, and adopting clean technologies in production.



CHALLENGES IN DEVELOPING A CIRCULAR ECONOMY

- **Lack of Policy Synchronization:** The lack of coordination and cohesion among different sectors and levels of government has resulted in overlapping and inconsistent policies and plans. This hampers the effective implementation and monitoring of green growth actions and objectives.
- **Limited Financial Resources:** The nascent green finance system faces challenges in mobilizing capital.
- **Weak Regulatory Enforcement:** Enterprises are not strictly adhering to environmental regulations.

- **Low Public Awareness:** Public understanding and participation in green and sustainable growth remain limited.
- **Technology Deficits:** Insufficient infrastructure and technological capabilities hinder progress in green transformation.

SOLUTIONS TO PROMOTE A GREEN ECONOMY

- **Developing financial mechanisms** such as green bonds and mobilize international capital.
- **Strengthening management and oversight** of environmental policy compliance.

- **Promoting public education** on sustainable consumption.
- **Fostering the transfer and development** of green technologies.

GLOBAL GREEN TRENDS IN 2025

- **Renewable Energy:** Nations are increasing financial support policies and reducing carbon emissions.
- **Circular Supply Chains:** Redesigning processes to minimize waste and optimize materials.
- **Sustainable Digital Technologies:** Applying AI, Big Data, and blockchain to manage resources efficiently.

- **Green Economic Competition:** Major economies like the U.S. and China are vying to develop green technologies to reduce reliance on fossil fuels.
- **Encouraging Sustainable Consumption:** Educating people about the importance of eco-friendly consumer choices.

CONCLUSION

Developing a green and circular economy is an inevitable trend for Vietnam to achieve sustainability goals and enhance its international competitiveness. Despite significant challenges, the combined efforts of the government, businesses, and the community will make these goals a reality. □

Developing a distinctive identity, finding unique approaches in design and materials for fashion products, while adopting a consumer-friendly strategy that prioritizes Vietnamese-made goods, and increasing brand recognition on a wide scale are ways that many enterprises within the Vinatex system are capturing the domestic market.

Bringing Vietnamese Products CLOSER TO VIETNAMESE CONSUMERS

fashion products to local customers. Modern technology has also been applied to enhance shopping experiences and improve service quality before, during, and after sales.

The Vinatex Product Development and Business Center has become a trusted destination for Vietnamese consumers, with a commitment to offering 100% locally produced goods. The Center collaborates with over 100 suppliers, offering 60,000 product codes, selling 500,000 items annually, and generating VND100 billion in revenue. All products undergo strict quality control to ensure safety and compliance with health standards.

SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PROTECTION

Aiming for sustainable fashion, Vinatex encourages the use of recycled materials and minimizes environmental waste. This strategy not only protects the environment but also aligns with modern consumer trends, driving long-term growth in the textile and garment industry.

With well-structured and innovative strategies, enterprises within the Vinatex system are bringing Vietnamese products closer to domestic consumers. This is not only an opportunity to affirm the position of Vietnamese goods in the local market but also a foundation for the sustainable development of Vietnam's textile and garment industry in the context of global integration. □



VALUE CHAIN INTEGRATION AND PRODUCTION INNOVATION

Keeping pace with global trends, Vinatex has fostered internal connections to increase localization rates and value-added within the supply chain. Enterprises are transitioning from the CMT model to Original Design Manufacturing (ODM), maximizing the use of internal resources, products, and services. This approach not only reduces reliance on imported materials but also creates strong competitiveness against foreign brands.



EXPANDING DOMESTIC BUSINESS

Between 2020 and 2024, Vinatex has achieved significant milestones in the domestic market alongside its export growth. Domestic revenue reached approximately VND40 trillion, accounting for 20% of the Group's total revenue. Additionally, Vinatex has excelled in uniform production for major partners

such as Vietnam Airlines, Vietcombank, businesses, and schools, generating an average annual revenue of VND200 billion.

EMBRACING TECHNOLOGY AND EXPANDING ONLINE RETAIL

In response to changing consumer habits, Vinatex has leveraged e-commerce platforms to introduce high-quality

CBEC

Does opportunities exist for domestic fashion?



The Rapid Growth of Cross-border e-commerce (CBEC) has experienced significant growth, offering Vietnamese goods access to international markets. According to a report by Amazon Global Selling Vietnam, in 2023, over 17 million Vietnamese products were exported, marking a 50% increase in value and a 40% increase in seller partnerships. However, CBEC presents challenges such as limited digital knowledge, low competitiveness, and legal, logistics, and payment barriers.

CBEC also puts pressure on the domestic market. Platforms like Shein, Temu, Shopee, and Lazada compete aggressively with affordable pricing, fast delivery, and low shipping fees. In 2024, Vietnam's e-commerce revenue reached 227 trillion VND, a 38% year-on-year increase, and it is projected to grow to \$39 billion by 2025, representing 70% of Vietnam's digital economy.

CHALLENGES FOR LOCAL FASHION BRANDS

CBEC creates several difficulties for domestic fashion businesses:

1. **Price and Design Competition:** Cheap imports from China and Bangladesh challenge local competitiveness.
2. **Changing Consumer Habits:** Consumers increasingly favor online platforms over traditional shopping channels.
3. **Innovation Pressure:** Companies must constantly improve designs and adopt modern production technologies despite limited resources.
4. **Brand and Quality:** Imported goods often have stronger branding and marketing, overshadowing domestic products even when quality is comparable.

SOLUTIONS FOR LOCAL FASHION BUSINESSES

To thrive in the CBEC landscape, local fashion brands must adapt:

- **Digital Transformation and Multi-Channel Sales:** Actively participate in e-commerce platforms like Shopee,



Lazada, and TikTok Shop, while also building proprietary e-commerce websites and utilizing livestreaming.

- **Invest in Quality and Customer Care:** Focus on high product standards, after-sales services, and attractive promotional campaigns to build customer loyalty.

- **Create Unique Value:** Highlight brand uniqueness through quality, environmental friendliness, and cultural elements.

PRACTICAL INSIGHTS FROM LEADING COMPANIES

- **May 10:** Invests in green technology, develops high-end and youth-oriented fashion brands like DeTHEIA and GENEROS, and actively engages in e-commerce and livestreaming. By leveraging market understanding, May 10 remains competitive in the domestic market.

- **HeraDG (Duc Giang):** Promotes sustainable fashion through products like recycled polyester jackets. The brand uses AI and VR for efficient design, enabling rapid responses to market demands.

THE FUTURE OF LOCAL FASHION

CBEC is both a challenge and an opportunity for Vietnamese fashion to expand globally while solidifying its position domestically. Businesses must embrace shifting consumer habits, pursue sustainability, and enhance competitiveness to meet evolving demands.

CONCLUSION

Cross-border e-commerce creates intense competition but also presents opportunities for local fashion to flourish. With creative strategies and sustainable investments, Vietnamese brands can not only survive but also thrive in a digitalized and globally integrated landscape. □



" GREEN HEMP - STRONG BAMBOO "

CONQUERING SUSTAINABLE FASHION

The event " Green Hemp - Strong Bamboo", organized by Empower Women Asia (EWA) and Keep It Beautiful Vietnam (KIBV), aims to promote sustainable fashion, honor traditional textile craftsmanship, and establish weaving cooperatives for H'Mông women in San Seo Ty, Sa Pa, Lao Cai.

FIGHTING AGAINST THE WASTEFULNESS OF FAST FASHION

Donna Cleveland, Acting Head of the School of Communication & Design at

RMIT University, emphasized that fashion today is not just a form of creativity but also a driving force for change, particularly amid environmental crises and social inequality.

Another important trend is the emphasis on slow fashion, which advocates sustainable design and counters fast fashion. Material innovation is also essential to this development. Renewable materials such as bio-based leather, algae-derived fabrics, and plant-based dyes are leading the trend.



BLENDING HERITAGE AND TECHNOLOGY

Vietnam's textile-garment heritage serves as a significant inspiration for sustainable fashion.

- For instance, Hoa Tien golden silk from Quy Chau, Nghe An, is handcrafted with a natural process.
- Brands like La Pham are reviving traditional craftsmanship by blending ethnic brocade and traditional silk with modern styles. La Pham uses eco-friendly materials like ramie fabric and organic cotton, embracing the concept of "regenerative fashion" to enhance ecosystems.

Thus, Vietnam's garment industry represents regenerative, equitable, and sustainable fashion.

Donna Cleveland emphasized the necessity of integrating tradition with technology, applying circular design processes, and ensuring transparency. Every individual—from designers and policymakers to industry leaders and consumers—plays a crucial role in building a fair and sustainable fashion industry, solidifying Vietnam's position in global sustainable fashion. □



Manager's Performance: WORKPLACE STRESS MANAGEMENT



As the end of the year approaches, work becomes more hectic with numerous deadlines, making stress at work. Prolonged stress can negatively impact employees' health. Therefore, eliminating stress is essential. Here are some effective stress-reducing tips:



1. Allocating tasks appropriately: Managers should assign tasks in a balanced way, combining long-term and short-term projects to reduce pressure on employees.

2. Building close relationships: Encourage employees to share feedback and receive support from their superiors, which helps reduce stress and promotes proactivity in work.

3. Avoiding overtime: Overtime is not a solution to increase productivity. Employees need time to rest after working hours to maintain work efficiency.

4. Encouraging a healthy lifestyle: Businesses should create opportunities for employees to engage in physical activities, helping them reduce stress and improve health.

5. Providing rest time: Holidays and recreational activities help employees relax, improve their mood, and enhance work productivity.

6. A tactful leader: A flexible, supportive manager creates a positive working environment, making employees feel valued and enabling them to contribute more effectively. □

