



VIETNAM ONLINE EMPLOYMENT INDICATOR – Q1 2007

Measuring Human Capital Demand and Supply in Vietnam

Introduction

The Vietnam Online Employment Indicator is a quarterly review of labor demand and supply based on the number of jobs advertised and resumes posted on VietnamWorks.com. It tracks online trends in specific job categories and in various regions throughout Vietnam.

The following report highlights the changes that took place during the First Quarter of 2007. Results are compared to the Forth Quarter of 2006.

Key Finding

Demand Index made an impressive start up in the first quarter of the year with 10,550 points, increasing 2,758 points from Quarter 4 of 2006.

Slightly dropping down by 797 points, Supply Index seemed to pick up a bit slowly after the quarter of seasons and big holidays.

Sales, Accounting/Finance, Engineering, Administrative/Clerical, IT-Software, and Marketing led top 6 of the Demand Index while in Supply Index, top 6 were Sales, Accounting/Finance, Administrative/Clerical, Executive Management, Engineering and Banking/Invest.

VIETNAMWORKS ONLINE EMPLOYMENT INDICATOR – DEMAND INDEX

The Demand Index is based on the number of job opportunities available in Vietnam¹. It represents the total number of jobs publicly advertised within a three-month period.

The Demand Index, during the first quarter of 2007, had shot up rapidly and numerously to 10,550 points compared to the last quarter of 2006. There were many factors that contributed to this change, some of which included the ongoing economic growth as well as ongoing migration from advertising jobs in the newspaper to online. The internet booming could also be the cause for this change. Internet growth in 2006 was 15% and Vietnam is looking at 20% for 2007. This started a new trend for some employers: switching from print advertisements to online in their recruitment plans. In addition, Vietnam joining WTO late of 2006 probably added more points to the demand index because there were more investing companies with more hiring needs across Vietnam. Furthermore, culturally speaking, with the idea of 'new year, new success', companies in Vietnam tended to start things right at the beginning of the year, including the hiring plans and the expanding of the business. This also stated a reason for Demand Index to climb up this quarter with 35% increase.

The quarterly labor demand for 2005-2007 is listed below:

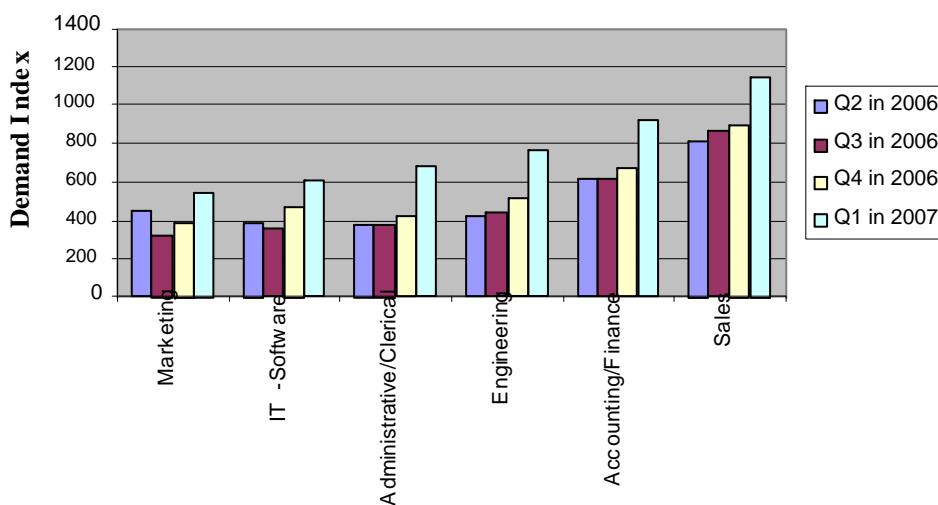
Table 1. Quarterly Online Labor Demand Index

Quarter	Q1'07	Q4'06	Q3'06	Q2'06	Q1 '06	Q4'05	Q3'05	Q2'05	Q1 '05
Total Demand Index	10,550	7,792	6,163	6,345	5,060	3,723	3,138	2,349	1,654

Except for Entry level/Internship, which claimed its third position during the forth quarter of 2006, Footwear, Health Care/Medical, Architecture, NGO/Non-Profit, all remaining 43 categories had increased their demands in the Online Labor Market during the first quarter of 2007. Consistently, aggressively, and unbeatably, Sales once again firmly took the first place (1152). Following with 920 points, Accounting/Finance remained 2nd position. With 761, Engineering jumped to the third position. Hopping from 415 to 675, Administrative/Clerical ranked 4th. IT-Software (611) kept its 4th position like the previous quarter. Beating Entry level/Internship out of the list, Marketing entered the top 6 with 547 points.

¹ Measured by the number of jobs advertised on VietnamWorks.com

Top Six Labor Demand Categories for Q1 2007



Fastest Growth Demand Categories

Noticeably, most categories had boomed up despite of the long break after all holiday seasons. Administrative/Clerical led the list (+260) and was followed by Executive management (+254). Accounting/Finance leaped from 669 to 920 to make the third place and so was Sales (+251). Engineering and Manufacturing were one of the remaining categories that also had big increase in volume.

Table 2. Growth in Labor Demand by Volume

Section	Demand Index		Change
	Q4 '06	Q1 '07	
Administrative/Clerical	415	675	+260
Executive management	270	524	+254
Accounting/Finance	669	920	+251
Sales	901	1152	+251
Engineering	516	761	+245
Manufacturing	278	468	+190

Quarter 1 of 2007 welcomed new categories with growth by percentage. Media/Newspaper increased by 143% leading the list. Second place was Insurance (+138%). Others in top 4 included Telecommunication (+95%), and Executive management (+94%)

Table 3. Growth in Labor Demand by Percentage

Section	Demand Index		Change
	Q4 '06	Q1 '07	
Media/Newspaper	21	51	143%
Insurance	26	62	138%
Telecommunications	83	162	95%
Executive management	270	524	94%

Decline in Labor Demand

After a big hit during the last quarter of 2006, Entry level/Internship heavily dropped down by 327 points or 53% during the first 3 months of 2007, disappeared from the top 6 of both

Demand Index and Fastest Growth in Supply Index, and led the Decline in Labor Demand by Volume and Percentage. The rest of categories that demonstrated decline were: Health Care/Medical, Footwear, NGO/Non-profit, and Architecture.

Section	Demand Index		Change
	Q4 '06	Q1 '07	
Entry level/Internship	618	291	-327
Health Care/Medical	69	60	-9
Footwear	40	31	-9
NGO/Non-profit	144	142	-2
Architecture	95	93	-2

Section	Demand Index		Change
	Q4 '06	Q1 '07	
Entry level/Internship	618	291	-53%
Footwear	40	31	-23%
Health Care/Medical	69	60	-13%
Architecture	95	93	-2%
NGO/Non-profit	144	142	-1%

Online Recruitment Across Vietnam

Labor demand across Vietnam stayed stably compared to quarter 4 of 2006. Ho Chi Minh City was still the champion in term of job location distribution when took 48% of the demand index across the country. Closely catching up, Hanoi in this quarter increased from 29% to 31% and was promising to be the national next leader in the Job Location table. Being left far from the 2 biggest cities, Binh Duong shared only 4% but was placed in the third place. With 1% each, Hai Duong, Vinh Phuc, Da Nang, Dong Nai, Hai Phong, Bien Hoa, and Ba Ria-VT also slowly took a small bit of the market share.

Location	Q4 '06	Q1 '07
Ho Chi Minh	50%	48%
Ha Noi	29%	31%
Binh Duong	4%	4%
Hai Duong	1%	1%
Vinh Phuc	2%	1%
Da Nang	1%	1%
Dong Nai	0%	1%
Hai Phong	1%	1%
Bien Hoa	1%	1%
Ba Ria - VT	1%	1%

VIETNAMWORKS ONLINE EMPLOYMENT INDICATOR – SUPPLY INDEX

The Supply Index represents the number of people actively seeking new jobs² in Vietnam. It reflects the monthly average number of CVs posted online and is measured in aggregate by industry and functional category.

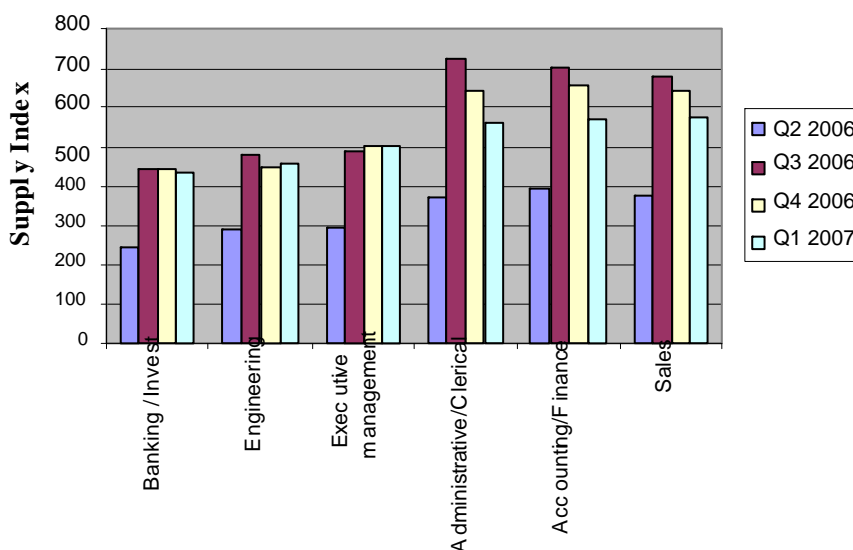
After a noticeable escalate in Quarter 3 of 2006, Supply Index once again decreased by 797 points. However, we still hoped for another surprising turn around of Supply Index in the next quarters of 2007.

Table 7. Quarterly Online Supply Index

Quarter	Q1'07	Q4'06	Q3'06	Q2'06	Q1 '06	Q4'05	Q3'05	Q2'05	Q1 '05
Total Supply Index	8,864	9,661	10,254	4,894	5,424	5,371	4,691	3,311	3,303

The 6 leading categories in the Supply Index remained unchanged. The ranking competition, however, did. Sales (575), despite of losing 65 points in the first quarter of 2007, set the previous first ranker Accounting/Finance aside to lead the list. Accounting/Finance temporarily took second place with 573 points. The rest of the top 6 included Administrative (558), Executive Management (504), Engineering (460), and Banking/Invest (433)

Top Six Labor Supply Categories for Q1 2007



Fastest Growth Supply Categories

Four new 'faces' out of 48 categories demonstrated Fastest Growth Supply included: Engineering, Footwear, Oil/Gas/Mineral and Real Estate. While leading the top 6 of the Demand Index, Engineering once again made itself to the first position in the Supply Index, increasing 14 points compared to Quarter 1 of 2007.

² Measured by the quantity of resumes posted on VietnamWorks.com and excluding applications sent directly to employers.

Section	Supply Index		Change
	Q4 '06	Q1 '07	
Engineering	446	460	+14
Footwear	23	26	+3
Oil/Gas/Mineral	112	114	+2
Real Estate	72	77	+5

Looking at the table of Growth in Labor Supply by Percentage, Footwear rose up by 13%, Real Estate 7%, Engineering 3% and finally followed by Oil/Gas/Mineral when putting up 2% more. The below table reflected some 'new comers' compared to the previous quarter.

Section	Supply Index		Change %
	Q4 '06	Q1 '07	
Footwear	23	26	13%
Real Estate	72	77	7%
Engineering	446	460	3%
Oil/Gas/Mineral	112	114	2%

Decline in Labor Supply

During the fourth quarter of 2006, due to the upcoming big holidays early January and February, workers could barely get themselves active in seeking for jobs and therefore, probably pulled down the Supply Index. Again, in this quarter four of 2007, Supply Index de-escalated. Accounting/Finance not only appeared in the Fastest Growth in Labor Demand by Volume but also showed its reduction in the Supply Index by 86 points. Administrative/Clerical reducing 85 points claimed the 2nd position. Sales was very close with 65 point loss. Others included Advertising/Promotion/PR (-40), Export-Import (-37), Tourism/Hotel (-35) and Customer Service (-31)

Section	Supply Index		Change
	Q4 '06	Q1 '07	
Accounting/Finance	659	573	-86
Administrative/Clerical	643	558	-85
Sales	640	575	-65
Advertising/Promotion/PR	368	328	-40
Export-Import	356	319	-37
Tourism/Hotel	272	237	-35
Customer Service	420	389	-31

Occupying the first position in the Labor Supply Categories Showing Decline by Percentage was Expat with 37%. It could be explained by the mass returning or long holiday vacation of the foreign workers in Vietnam. Followed closely and with 28% decrease, Agriculture/Forestry took 2nd place. Others making the top 6 included Temporary/Contract, Restaurant/Contract, Restaurant/Food Service, Retail/Wholesale, and Furniture/Interior Design.

Table 11. Labor Supply Categories Showing Decline by Percentage			
Section	Supply Index		Change %
	Q4 '06	Q1 '07	
Expat	78	49	-37%
Agriculture/Forestry	57	41	-28%
Temporary/Contract	33	26	-21%
Restaurant/Food Service	62	50	-19%
Retail/Wholesale	84	70	-17%
Furniture/Interior Design	69	58	-16%

VIETNAMWORKS EMPLOYMENT INDICATOR - DEMAND INDEX*

Section	Demand Index			
	Q1 in 2007	Q4 in 2006	Q3 in 2006	Q2 in 2006
Accounting/Finance	920	669	612	617
Administrative/Clerical	675	415	371	381
Advertising/Promotion/PR	243	182	143	209
Agriculture/Forestry 34		32	22	22
Architecture	93	95	62	53
Arts/Design 151		114	103	105
Banking / Invest	413	267	207	182
Chemical / Biochemical	76	51	39	45
Construction 308		240	199	184
Consulting 86		46	42	42
Cosmetics	24	9	8	27
Customer Service	171	95	89	82
Education/Training/Library 130		84	97	81
Engineering 761		516	436	413
Entry level/Internship	291	618	14	12
Environment/Waste Services	22	14	16	6
Executive management	524	270	184	215
Expat	35	31	38	32
Export-Import	153	107	107	81
Food/Beverage 61		48	32	59
Footwear 31		40	6	1
Furniture/Interior Design	49	39	34	29
Health Care/Medical	60	69	38	40
Human Resources	304	222	190	191
Insurance	62	26	26	34
Interpreter/Translator 169		134	114	82
IT - Hardware/Networking	306	195	172	161
IT - Software	611	474	352	385
Legal	95	73	54	78
Manufacturing 468		278	232	277
Marketing 547		383	322	446
Media/Newspaper	51	21	17	21
NGO/Non-profit	142	144	122	147
Oil/Gas/Mineral	54	54	16	25
Other	11	11	17	35
Pharmaceutical/Biotech 113		109	107	94
Purchasing 137		71	72	64
Real Estate	80	68	32	32
Restaurant/Food Service	73	45	62	45
Retail/Wholesale	22	14	10	13
Sales	1152	901	868	818
Security Service	10	5	4	9
Telecommunications 162		83	87	101
Temporary/Contract	12	12	12	2
Textiles/Garments	142	82	66	46
Tourism/Hotel	250	182	178	146
Transportation/Logistics	206	111	90	130
Warehouse	60	43	42	45

* Demand Index is the total job advertisements quarterly

VIETNAMWORKS EMPLOYMENT INDICATOR – SUPPLY INDEX*

Section	Supply Index			
	Q1 in 2007	Q4 in 2006	Q3 in 2006	Q2 in 2006
Accounting/Finance	573	659	701	390
Administrative/Clerical	558	643	723	372
Advertising/Promotion/PR	328	368	407	222
Agriculture/Forestry	41	57	59	25
Architecture	61	63	64	36
Arts/Design	134	149	153	86
Banking / Invest	433	443	444	245
Chemical / Biochemical	121	123	133	62
Construction	224	226	229	122
Consulting	164	186	185	99
Cosmetics	57	63	70	32
Customer Service	389	420	436	240
Education/Training/Library	169	186	211	110
Engineering	460	446	481	289
Entry level/Internship	218	223	205	96
Environment/Waste Services	78	85	96	41
Executive management	504	505	490	293
Expat	49	78	75	57
Export-Import	319	356	379	211
Food/Beverage	123	139	140	66
Footwear	26	23	23	10
Furniture/Interior Design	58	69	68	34
Health Care/Medical	24	27	34	16
Human Resources	338	362	404	214
Insurance	50	58	59	33
Interpreter/Translator	152	163	188	104
IT - Hardware/Networking	337	365	388	227
IT - Software	337	368	403	228
Legal	47	52	59	33
Manufacturing	286	292	315	178
Marketing	152	174	201	109
Media/Newspaper	59	62	70	38
NGO/Non-profit	177	200	234	132
Oil/Gas/Mineral	114	112	119	62
Other	154	187	186	103
Pharmaceutical/Biotech	73	85	96	44
Purchasing	48	50	47	21
Real Estate	77	72	69	40
Restaurant/Food Service	50	62	68	37
Retail/Wholesale	70	84	89	44
Sales	575	640	679	377
Security Service	7	8	8	7
Telecommunications	195	217	252	144
Temporary/Contract	26	33	30	17
Textiles/Garments	71	72	67	34
Tourism/Hotel	237	272	280	149
Transportation/Logistics	67	76	76	49
Warehouse	54	58	61	31

* Supply Index represents monthly average resume postings

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