



(RESEARCH ARTICLE)



Situation of lecturers' income structure of financially autonomous public universities in Vietnam

Hong Thi Nguyen *, Hong Nhung Thi Ngo and Thieu Van Pham

Human Resource Management Department, University of Labour and Social Affair, Hanoi, Vietnam

World Journal of Advanced Research and Reviews, 2023, 19(02), 1091–1097

Publication history: Received on 18 July 2023; revised on 24 August 2023; accepted on 26 August 2023

Article DOI: <https://doi.org/10.30574/wjarr.2023.19.2.1730>

Abstract

Salary and income is always a matter of great significance to universities and to the lecturer themselves. Improving and raising the income of lecturers is important, but ensuring the satisfaction of lecturers' income is even more meaningful when motivating lecturers to work. In order to ensure that the teaching staff of universities are always stable and have high working efficiency, the Rectors of public universities need to pay special attention to the salary and income structure. Currently, public universities are gradually implementing the policy of autonomy and self-responsibility, including financial autonomy. This means that public universities must be proactive in generating revenue, mobilizing various sources, and ensuring a reasonable salary and income for faculty and staff. On the basis of finding out the feelings of 345 lecturers working at financially autonomous public universities in Vietnam, the article has reflected the current situation of income structure, satisfaction with the income structure of lecturers. Thereby, the article has mentioned some recommendations for public universities to improve the income structure for lecturers.

Keywords: Income Structure; Lecturers; Public Universities; Financial Autonomy; Vietnam

1. Introduction

The difference in salary and income of lecturers at public universities, after all, comes from many different reasons, but they have the same thing in common is that they are greatly influenced by the State. In recent years, the higher education system in Vietnam has undergone positive changes. From the Ministry of Education and Training, a state management agency that closely monitors all activities from personnel organization, enrollment or financial issues..., public universities have been more proactive, autonomous and self-responsibility for their tasks, organization, staffing and finance as reflected in the State's legal documents in all aspects. autonomy in management and administration; financial autonomy; autonomy in recruiting and managing staff; autonomy in enrollment and training activities; autonomy in other internal and external activities. In order to promote the dynamism of higher education institutions, reduce the burden on the state budget, mobilize external capital, and at the same time expand training subjects, the Government has issued Decree No. Decision No. 77/NQ-CP dated October 24, 2014 on pilot renewal of operation mechanism for public higher education institutions in the period 2014 – 2017 [1]. Accordingly, the Resolution clearly states, educational institutions public universities when committing to self-finance all recurrent expenditures and investment expenditures are carried out autonomously and fully self-responsibility.

Currently, the salary and income of university lecturers depends largely on the state budget. However, with the policy of giving autonomy, especially financial autonomy, public universities have been gradually building a salary policy and a satisfactory payment mechanism. Many universities have created a change in income levels, improving income for teaching staff. In addition, the improvement of the remuneration system of some public universities is not merely an improvement in the level but also in the manner and method of distribution. Many lecturers feel that the salary is suitable to their ability, to the level of contribution and dedication, to the general correlation with other universities and

* Corresponding author: Hong Thi Nguyen

to the development trend of the society. Therefore, they have a greater love for their profession and a stronger attachment to university. However, there are still shortcomings in the development of salary and income policies in some universities when they have not built a good remuneration system. Many lecturers feel that university's salary and income distribution mechanism has not changed much even after implementing financial autonomy. The issue of salary and income of lecturers is still mainly based on qualifications and seniority, which has not properly reflected their contribution to the work. Many lecturers easily compare the current income in the school, which is much lower than that of people with the same qualifications in the production and business sector. When life is not guaranteed, many lecturers have to leave their profession to move to a new working environment that they feel will earn a higher, more dignified and fairer income. This has significantly affected the size of the university's personnel structure as well as the quality of teaching.

2. Material and methods

2.1. The scale

The scale to evaluate the employee's income structure has been developed and used by many authors, such as the studies of Ngo, A.T.N (2017) [2], Uen and Chien (2012) [3]. The scale of this research applies the adjusted scale of Ngo, A.T.N (2017) [2] for analysis. The scale was adjusted and changed to ensure the research purpose and suitable with the research context that the author set out initially. The scale measures the structure of income according to 6 factors that make up the income of lecturers that the author analyzes on the basis of theory. The observations that the author uses all use a 5-point Likert scale from 1. Very dissatisfied to 5. Very satisfied.

2.2. Methods of data collection and processing

Data was collected through the distribution of official questionnaires to 375 lecturers of public universities in Hanoi and 345 valid votes were obtained. The form of voting is directly and online using the google form tool. The collected data were processed using the specialized software SPSS Amos 20.0.

3. Results and discussion

3.1. Income structure of lecturers in financially autonomous public universities

It can be said that the structure of income of lecturers at public universities is quite similar. All these amounts are considered remuneration for the contribution of lecturers to the educational career of universities in particular and of the country in general. These incomes of lecturers are clearly shown in the internal expenditure regulations of each university. However, the way to determine each amount, the benefit level of each amount and the payment plan depends on many factors such as the views of the leadership, the financial ability of universities... In the present time, As public university tend to have university autonomy and financial autonomy, the remuneration payment options of each school are even more flexible and diverse.

In Vietnam, the income of lecturers of public universities is also formed from many accounts. According to Ha Duy Hao & Le Thanh Ha (2013) [4], the income of lecturers working in public universities includes basic salary according to the salary coefficient of the State, salary based on performance of the school, bonuses and allowances of a salary nature, social insurance payments on behalf of salaries and a number of other payments.

According to the Joint Circular No. 06/2011/TTLT-BNV-BGDĐT [5], it is very clear that the duties of lecturers include teaching, research and management. Therefore, in terms of tasks, the lecturer's income is formed by the following sources: income from teaching activities, income from scientific research activities and income from management activities similar to research. In addition to the above-mentioned incomes, the State also adds a number of other allowances in the education sector such as teacher seniority allowance, education sector allowance, etc. It is also the amount that generates income for lecturers.

In general, the structure of teachers' income from university has many different interpretations and approaches. However, regardless of the structure of the lecturer's income, in essence, the above approaches all have one thing in common that the lecturer's income is all the money received by the lecturer within a certain period of time. Due to the flexible performance of the lecturer's duties, some amounts in the lecturer's income structure are also flexible and not fixed monthly. Therefore, this study focuses on the lecturer's income that is calculated by year and determines the

lecturer's income structure, including basic salary, additional salary, excess teaching fee, bonus, scientific research money and allowance.

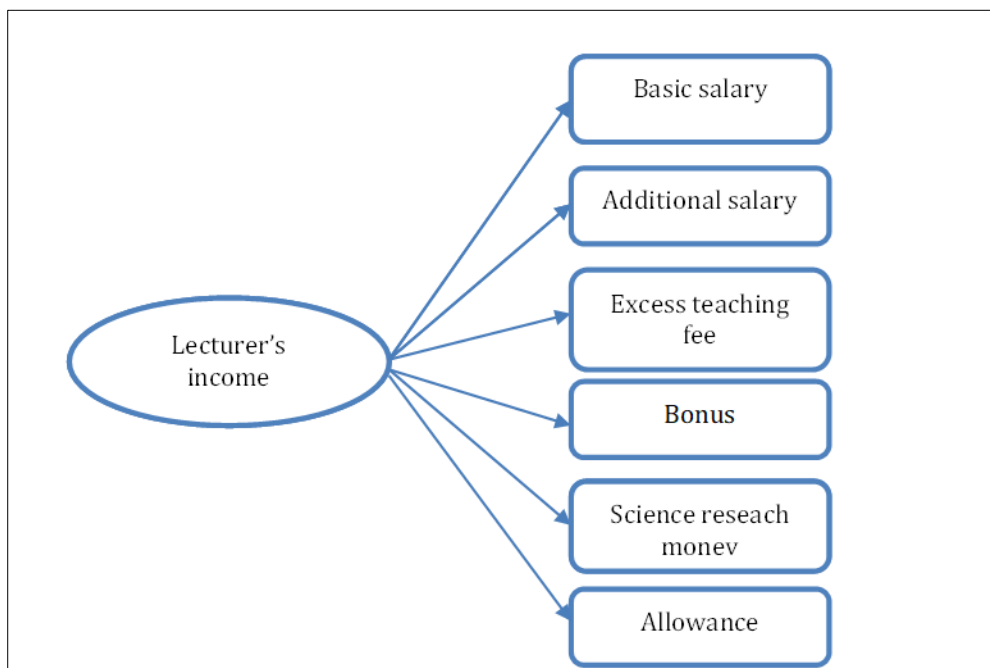


Figure 1 Income structure of lecturers of public universities

In there, Basic salary: the salary calculated according to the salary coefficient in the State payroll. This salary is determined by multiplying the salary coefficient of the lecturer by the base salary according to the current regulations of the State. This salary is a stable income that does not change. This salary only changes when the state changes the base salary or the lecturer is promoted according to seniority. The lecturer with a higher salary coefficient will have a higher base salary and vice versa.

Additional salary: The additional salary is actually a part of the employee's income, which is the non-wage income paid by the unit fund. Therefore, it can be generally understood that additional salary is an income based on the difference in revenue and expenditure of the organization after paying taxes and obligations to the budget, deducting funds as prescribed and distributed. according to the internal spending regulations of the unit . The source of salary to spend this money is from the results and efficiency of the school's service business. Because public universities are an organization in the non-business sector with income, there are sources to pay additional salaries for workers in general and school staff, lecturers and staff in particular. The non-business units implement the contracting mechanism, assigning autonomy, self-responsibility for the performance of tasks, organizational apparatus, payroll and finance according to Decree No. 43/2006/ND-CP dated April 25 2006 by the Government [6] (replaced by Decree No. 16/2015/ND-CP dated February 14, 2015 regulating the autonomy mechanism for public non-business units [7]). This salary is referred to by some schools as a second pay or extra pay or extra income. Although called with many different names, the essence is exactly the same. So, an increase in salary or additional income is the amount of money that a public university takes from the performance of the school to pay. monthly for employees in accordance with the provisions of law (Do Thi Tuoi, 2013) [8]. The amount of additional salary received each month more or less directly depends on the size of the annual salary increase fund and depends on the views of each school in dividing the additional salary as stated in the internal spending regulations.

Excess teaching fee: according to the regulations of the State, a year the lecturer will carry out the number of hours of lectures. The number of teaching hours within this norm is specified in accordance with the Circular No. 47/2014/TT-BGDĐT dated December 31, 2014 of the Ministry of Education and Training stipulating the working regime for lecturers with effective examination. in effect from March 25, 2015 [9]. If the lecturer has enough teaching hours as prescribed, he/she will complete the teaching task in the year. However, due to the workload and structure of the lecturers, the total number of annual teaching hours of some lecturers is often larger than the norm. The number of teaching hours exceeding the norm will be charged overtime according to the specific unit price offered by each school. The unit price for excessive teaching hours will be decided by the Principal according to the school's performance. However, in order to avoid the case that lecturers teach with too many teaching hours, affecting the quality of work, universities often

allow lecturers to teach the excess number of hours according to the prescribed percentage. If the number of overtimes is more than the allowed percentage, the lecturer will not be counted overtime.

Bonuses: For public universities, lecturer bonuses are often not as obvious as the corporate sector. Bonuses for lecturers mainly include Tet bonuses, bonuses for holidays according to the regulations of the State... Besides, the schools also reward and encourage individuals with excellent achievements. activities, contributing to the development of the school. This bonus fund is extracted from the school's annual performance. These funds are for the purpose of motivating and encouraging lecturers, encouraging them to better perform their duties.

Income from scientific research activities: Besides teaching activities, scientific research activities are also considered as one of the two most important tasks of lecturers. Circular No. 47/2014/TT-BGDĐT also provides a way to calculate the scientific research norm of lecturers in a year. Accordingly, lecturers must ensure enough scientific research hours as prescribed [9]. However, in order to encourage lecturers to actively conduct scientific research to improve the quality of education and training, public universities have paid salaries for activities such as (i) scientific articles published in journals, reports on scientific conferences at home and abroad; (ii) Textbooks, lectures, revision of lecture curricula in service of teaching and research activities of the university according to the registration of scientific research tasks in the year; (iii) Scientific research topics at all levels, projects, S&T contracts.

(i) Scientific articles published in journals, reports on domestic and foreign scientific conferences. For this scientific research activity, in order to encourage lecturers to participate in scientific research, many universities have provided financial support for lecturers when publishing international articles, especially articles with ISI, Scopus...or participating in scientific research. Writing articles for international conferences abroad with criticism. In addition, this is one of the bases for some public universities to evaluate and emulate lecturers. For lecturers with scientific works, they will enjoy a higher emulation rating and the additional salary of lecturers will also increase.

(ii), (iii) Textbooks, lectures, editing of lecture curricula in service of and scientific research topics at all levels, projects, S&T contracts. With these scientific research activities, the University will directly pay income to lecturers. This salary is more or less depending on the revenue of each School. In particular, when conducting financial autonomy, public universities are allowed to actively supplement the salary fund according to the school's performance in order to distribute benefits to lecturers, according to the principle of association with quantity and quality. quality and effectiveness of teachers' work.

Allowances: In addition to the salary according to the ranks and grades according to the State's salary regime, the salary increases according to the performance of the school, the lecturers are also entitled to a number of salary allowances to enhance the responsibilities of the lecturers. members perform their duties. According to the provisions of Article 81 of the Education Law 2005 Amended and supplemented in 2009: "Teachers are entitled to salaries, preferential allowances according to their profession, seniority allowances and other allowances as prescribed by law" [10]. The salary allowances that lecturers are entitled to are prescribed in Decree No. 204/2004/ND-CP of the Government [11]. A number of salary allowances can be mentioned in this Decree such as allowances for leadership positions, allowances for part-time positions, regional, attraction... and especially teachers' seniority allowances and allowances. occupation incentives.

In addition to the above-mentioned incomes, lecturers also receive a number of other incomes such as participating in mass government activities, participating in committees to appraise scientific research topics at all levels, participating in organizing conferences.

3.2. Assess the satisfaction of lecturers about the income structure

Through processing the survey data, the researcher found that the lecturers highly appreciated and satisfied with their income structure. All observations of the income structure variable were evaluated by the lecturers with the average score above 3.4. Specifically, the highest rating is the excess of the teaching fee (CC3) with a score of 3.68; Followed by the basic salary, allowance and scientific research with the score of 3.6 respectively; 3.56 and 3.58. Evaluating at a score lower than the above is the salary increase (CC2) with a score of 3.5 and the lowest rating compared to the remaining observations is the bonus (CC4) with a score of 3.5. is 3.46.

Although there is a difference in terms of satisfaction in the income structure of lecturers, with the above results, it can be seen that the percentage of lecturers who are satisfied with their income structure is quite high. It shows that the schools are now gradually completing their policies and salary systems to meet the needs and desires of the teaching staff.

Table 1 Descriptive statistics of the variable "Income structure of lecturers"

Elements	N	Minimum	Max	Medium	Standard deviation
Basic salary (CC1)	345	2	5	3.60	0.887
Additional Salary (CC2)	345	1	5	3.50	0.860
Excess teaching fee (CC3)	345	1	5	3.69	0.853
Bonus (CC4)	345	1	5	3.46	0.795
Allowance (CC5)	345	2	5	3.56	0.787
Scientific research money (CC6)	345	1	5	3.58	0.931

To analyze the difference in satisfaction about the income structure of lecturers according to the characteristics of the research subjects, the Anova test was performed. Anova test shows that the variance of the dependent variable is equal or different between the observed variables or to test the difference in the dependent variable between the attribute variables of the research object. Analyzing Anova using SPSS gave the following results:

Table 2 Anova test results

Observed variables	Sig. (Levene Stats)	Sig. (Anova Analysis)
Sex	0.384	0.072
Career titles	0.810	0.212
Working years	0.770	0.393

Looking at the results in the table above, it can be seen that, the Sig of the Levene statistic of the attribute variables "Gender", "occupational title" and "working seniority" are all greater than 0.05, so the confidence level is 95. % hypothesis H_0 : "Equal variances" are accepted, and hypothesis H_1 is rejected : "Different variances". And so the results of ANOVA analysis can be used.

The results of ANOVA analysis show that the significance level in both above attributes is 0.05 large, so we accept the hypothesis H_0 " Equal mean". With observational data that is not enough to confirm that there is a difference in the satisfaction of lecturers' income structure between the attribute variables of "Gender", "occupational title" and "work seniority". work".

This result is also acceptable because the scales used are qualitative and perceptive evaluation scales of the lecturers, so there will be no significant difference between the groups of research subjects such as: gender, professional title and working seniority. In addition, this study deals with the structure of lecturers' income, which is directly paid by the school. These amounts are paid by the school when the teacher completes the assignment. In fact, the tasks of teaching and scientific research assigned to lecturers often do not differ much according to gender, title and seniority. Therefore, when conducting the survey, it is found that there is no difference in the perception of fairness in the income of lecturers.

4. Conclusion

In this study, the researcher has limited the income structure of lecturers including basic salary, additional salary, excess teaching fee, scientific research fee, allowance and bonus. Aspects related to the income structure include the level of benefits, the total amount, the calculation formula... The lecturer gives his level of satisfaction with the lecturer's income structure. Accurate identification of income structures and options is essential to ensure a fair distribution of income for trainers. At the same time, universities need to improve the total income of staff and lecturers.

Therefore, the important task in the coming time for public universities is to mobilize financial sources such as revenue from tuition fees, revenue from scientific research activities, and income from sponsoring activities of individuals. external individuals and organizations, revenue from the rental of facilities, etc.

With the trend of giving autonomy to public universities, especially financial autonomy, the revenue from the state budget will gradually decrease... Regarding the revenue from tuition fees, some universities are still struggling. are limited in terms of training targets as prescribed by the Ministry of Education and Training and the tuition and fee collection rates as prescribed by the Government. Tuition fees are still low, not commensurate with actual training costs of major groups and types of university training. Regulations that universities are not allowed to collect any fees other than university and college enrollment fees according to the Law on Fees and Charges, and this revenue can only be spent on activities serving university and college enrollment. not be spent on other activities. Revenues from joint training, training with the second degrees, training while studying... have decreased sharply in recent years, greatly affecting the school's revenues. In addition, some autonomous pilot schools have actively raised tuition fees and increased some other revenues. However, in order to do this, schools need to ensure that increased tuition fees are accompanied by increased training quality and output. Not only that, schools need to be accountable for the results achieved to state management agencies, to society, to businesses and to learners themselves. In terms of other revenue sources from services, science and technology, aid and donations, they are also low, averaging only about 3% of the total current revenue of public universities in Vietnam. The use of property and land for joint ventures and associations, and the mobilization of capital from credit institutions and other organizations and individuals to support the provision of higher education services according to the needs of the units are still limited due to the lack of guiding documents to organize the implementation of regulations. The State still does not have a specific support mechanism for elite universities to pilot autonomously to receive preferential loans or receive interest rate support to increase investment in facilities and equipment for training and education. scientific research. Therefore, the financial resources of public universities are not high.

Based on the analysis and discussion of the factors affecting the perception of fairness in the lecturer's income, the suggestions and recommendations is mentioned following as:

- In order to build a reasonable salary payment mechanism, public universities need to determine the development of a salary policy according to the university's development strategy and determine the viewpoint of paying salaries for officials and lecturers associated with their duties, effective teaching and scientific research, does not depend too much on the State payroll.
- In addition, the salary mechanism of public universities must be attractive and distinguish between different target groups such as administrative managers, lecturers, part-time lecturers, etc. Many public universities now have a much higher percentage of indirect labor in departments than the rate of indirect labor in enterprises . The receiving structure is unreasonable, both redundant and insufficient, affecting the income structure of lecturers as well as the level of income received by lecturers.
- With the rearrangement of the personnel structure, a number of departments and divisions can combine and reduce staffing. For example, the management of classrooms only needs one management department, this department is assigned the full right to manage and preserve the equipment for teaching and learning work of lecturers and students. At the same time, they are also the ones who keep the keys to open and close the classroom door; or also consider reducing the payroll for the library department, other departments in the University. Each school will have a different organizational structure, so depending on the reality of each school, consider giving reasonable solutions to avoid negative impacts on the mind and feelings of a part of employees in the University.
- Building the school's salary payment mechanism needs to ensure internal fairness and external fairness. Regarding the income structure of lecturers, the formula for calculating salaries for lecturers needs to be completed in the direction of increasing the proportion of salaries according to the evaluation of the effectiveness of lecturers' teaching and scientific research, reducing the proportion of teachers' salary based on basic salary, to avoid the case of seniority, small contribution but still high salary. The salary policy of the schools should be consistent with the basic principles of people-oriented, encouraging and motivating lecturers to work. There must be policies to attract talent and retain talent.

Compliance with ethical standards

Acknowledgements

The authors would like to thank for the support of University of Labour and Social Affairs.

Disclosure of Conflict of interest

The authors declare that no conflict of interest.

References

- [1] Government of the Socialist Republic of Vietnam (2014). Resolution 77/NQ-CP issued on October 24, 2014 on piloting renovation of operation mechanism for public higher education institutions in the period 2014- 2017
- [2] Ngo, A.T.N. Examining relationships between compensation components employee perceptions of pay equity in a transitional economy: the case of Vietnamese state-owned enterprises [Ph.D. dissertation]. RMIT University, Vietnam; 2017.
- [3] Uen, J.F., Chien, S.H. (2004). Compensation Structure, perceived Equity Individual Performance of R&D Professionals. *Journal of American Academy of Business*, 4(1/2), pp.401-405
- [4] Ha Duy Hao & Le Thanh Ha (2013). Salary and income of lecturers at some public universities in the socio-economic block in Hanoi. *Journal of Economics & Development*, No. 190(II) , April 2013, pp. 59-66
- [5] Ministry of Education and Training and Ministry of Home Affairs (2009). Joint Circular No. 07/2009/TTLT-BGDĐT-BNV dated April 15, 2009 guiding the right to autonomy and self-responsibility for the performance of tasks, organization of apparatus and payroll for public non-business units of education and training
- [6] Government of the Socialist Republic of Vietnam (2015). Resolution No. 43/2006/ND-CP issued on April 25, 2006 stipulating the right to autonomy and self-responsibility for the performance of duties, organization, apparatus and finance for public non-business units
- [7] Government of the Socialist Republic of Vietnam (2006). Resolution No. 16/2015/ND-CP issued on 14/02/2015 regulating the autonomy mechanism of public non-business units
- [8] Do Thi Tuoi (2013). Completing the additional income distribution plan of the University of Labor - Social Affairs, School-level Scientific Research Project, University of Labor - Social Affairs
- [9] Ministry of Education and Training (2014). Circular No. 47/2014/TT-BGDĐT of the Ministry of Education and Training, issued on December 31, 2014 stipulating the working regime for lecturers of the Department of Education
- [10] National Assembly of the Socialist Republic of Vietnam (2005). Education Law No. 38/2005/QH11 promulgated on June 14, 2005 and Training
- [11] Government of the Socialist Republic of Vietnam (2004). Decree No. 204/2004/ND-CP issued on December 14, 2004 on salary regimes for cadres, civil servants, public employees and armed forces.