



Business process management in Vietnamese and foreign companies: A case of tourism industry

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Abstract

This article gives an insight into new concept of business process management applied widely in all types of business and in all sectors or industries. We compare how business process management is understood, deployed implemented in both Vietnamese and foreign companies regarding only the tourism industry in this current context of Vietnam's business environment.

Keywords: business process, BPM, domestic companies, foreign companies, tourism industry, Vietnam

1. Introduction: Business

1.1. What is business?

Business is an activity of investing, buying, selling, producing and providing services for business entities to conduct independently, usually for the purpose of generating profits. Business activities are usually through business institutions such as corporations, companies or can also be self-made activities of individuals such as trading and small-scale production of households.

Business creates material wealth to meet the needs of consumers then sell it on the market and make a profit. There are many different criteria to evaluate business activities such as revenue, growth, net profit, etc.

Many countries around the world use the term "commerce" to refer to the overall production, purchase and sale of services and goods, and there is a difference with the term "trade". Used to refer to pure commodity trading activities.

1.2. What types of business are there?

a. Business services

It is one of the three business forms that are very developed today. The service business does not create tangible goods, but sells packages of services directly to customers.

b. Manufacturing enterprises

Manufacturers are businesses that are directly responsible for the supply of goods in the consumer market. Especially essential items and products that meet the daily needs of consumers.

Applying science, technology and techniques to production on a diversified line of products including software, engines, and machines, then selling them to bring in revenue is a mandatory premise for enterprises to continuously produce. development and upgrade.

c. Retail business

Is one of the smart solutions to help businesses increase revenue most effectively. Thanks to the retail business form, products and goods circulate smoothly from the place of production to the consumer quickly, conveniently and efficiently.

Corporations, businesses and companies are now investing heavily in retail to bring brands to users, make customers trust, choose and be loyal to the products and goods they produce.

d. Business travel

The tourism business is the business of tourism products and services. When customers have a need for travel experiences and come to a travel agency, the company will "sell" to customers the feelings, experiences or enjoyment during the trip. The company's travel products and services are not physical objects, but new and unique experiences.

1.3. What are the characteristics of business and tourism business?

a. Business characteristics

- Exchange of services and goods.
- A product/goods before reaching the consumer may have to go through many different transactions.
- Profit is the reward, the main goal for the services of a business.
- Good skills and qualities in business to run the business.
- Take the risk of uncertainty such as: disease, fire, theft or loss due to market devaluation, change in demand.
- Buyer, seller
- Connection to the production of goods or services.
- Involves marketing distribution of goods also known as commercial activities.
- Offers on goods and services
- Meet the wants and needs of consumers.
- Social obligations: business today is service oriented rather than profit-oriented.

b. Tourism business characteristics

Tourism is a special business that has both a production and business nature and the nature of serving culture and society. Business activities of tourism services are very diverse and rich, including activities: such business of tour guides, the business of tourist transportation, the business of food and drink, the business of other services such as Sauna, massage, laundry, photography, and souvenir sales....

Tourism products and services often do not have a specific physical form, the production and business process are associated with the consumption process. Customers buy a travel product before they see it.

Tourism activities Tourism business activities carry high risks. There are types of tourism service business activities to complete products and services that have to spend many different costs but sometimes still cannot complete the desired number of products, while its results (if yes), many different industries benefit. Because to organize a tourism service business, it is necessary to spend a lot of money before that activity is carried out such as advertising costs, hotel booking costs, etc., but as a result, there may be very few customers. use the tourism service activity. But when there are customers, many different industries enjoy income such as hotels, transportation, post offices, customs, taxes... Service business activities are seasonal and highly dependent

on natural, environmental, cultural and socio-economic conditions of each region.

The above characteristics directly affect the cost and revenue accounting and determine the business results of tourism services.

1.4. What is a domestic tourism business?

Domestic tourism is travel by residents only within their own country. A resident's trip can be for any purpose (except for work), anywhere in the country and long or short depending on the purpose.

A company that conducts its business in its home country. A domestic business is often taxed differently than a foreign business and may have to pay taxes or fees on the products it imports. Usually, a local business can easily do business in the parts of the country in which it is registered.

Domestic businesses that are located in a country other than their original home country are called foreign businesses.

1.5. Characteristics of domestic enterprises:

Businesses are a separate and distinct legal entity from its owners. In the case of litigation and debt repayment, it is the company that is liable, not the owner. If a creditor demands payment of a debt, they will claim the company's assets, not the owner's personal property.

Local business owners are free to choose where their company does business, and as a result, local business owners often seek to analyze corporate laws in different regions to determine where a good place to go. best for business.

The advantage of domestic enterprises is that domestic enterprises have lower costs of market research compared to foreign enterprises. Each company needs to understand the tastes of each target market, and for that, foreign businesses will have to invest considerable resources in analyzing the tastes of customers from other countries, see which customer groups are most likely to buy and how to market the product effectively.

Meanwhile, local businesses can more easily predict customer preferences. Local business owners may be more familiar with competitors' offerings and can easily understand niches.

However, the disadvantage of domestic enterprises is that domestic enterprises are often easily affected by cyclical changes in the market. Cyclical changes tend to affect a domestic firm more strongly than an international firm, making it more vulnerable to the ups and downs of the domestic market. The reason is because foreign enterprises often have many other ways to generate profits when domestic market conditions are not good, while domestic enterprises do not.

1.6. Foreign enterprises

Foreign enterprise (or foreign-invested enterprise) is an economic organization established and operating under the provisions of Vietnamese law, with foreign investors as members or shareholders.

1.7. Characteristics of foreign enterprises

Basically, a foreign enterprise is a type of enterprise established and operating under Vietnamese enterprise law. As a type of stable, sustainable and organized investment, foreign-invested enterprises have the following main characteristics:

Foreign enterprises have in common with other ordinary

enterprises, including special points in organizational form, organizational structure, and legal status. This means that foreign enterprises must be organized in the form of enterprises in accordance with the provisions of Vietnamese law.

2. Business process management in Vietnamese and foreign companies

Business process management (BPM for short) is extremely valuable to businesses. It allows companies to maximize profits and gain a competitive edge over their competitors. Using BPM makes it faster and easier to develop and deploy custom applications, and enables rapid response to any changes in regulatory, customer, and market needs.

2.1. What is BPM?

As "Business Process Management" as follows: BPM is a concept that deals with any combination of modeling, automation, execution, control, measure and optimize business flows, support business goals, scale systems, employees, customers and partners inside and outside the enterprise.

BPM can be understood as we are impacting, and improving a business process from start to finish by analyzing it, and modeling how it works in different scenarios that can occur at the same time. improvements, monitoring the improvement process to continuously optimize it. As a result, we get a better quality process than before.

2.2 Features of Business Process Management

A business Process is an activity or a set of activities to accomplish a certain goal of the organization.

BPM is not a one-time task, it is a continuous refactoring of the process.

BPM is work related to process improvement not necessarily related to technology and automation.

BPM is done by people interested in process improvement, not process implementers.

2.3 What is a business process?

A business process is a series of interconnected steps that are assigned to related departments to perform specific tasks. Each department will perform specialized tasks to achieve the goal in the best way.

2.4 Business process steps

Step 1: Research the customer market and the supply market

Step 2: Build a tour schedule

Step 3: Determine the product price

Step 4: Complete the sale tour

2.5 Steps to improve the company's business processes:

To make your business processes more efficient, you can improve them by following these steps:

a. Operational analysis

You must identify the activities that need to be done to increase customer satisfaction with the product or service. These activities include: Marketing, ordering and selling, operations, shipping, customer care... Here are a few tips that you can apply:

You will have a fuller and richer answer to this analysis, giving members more confidence in your final conclusion.

List the activities that add value to the company, then

organize them as a simple process flowchart. This will help you represent the value chain more clearly.

b. Analyze the value created for customers

List the factors that create value for your customers and then list these factors next to the activities you have identified.

Next, write down what needs to be done or changed to bring greater value to these elements.

3. Conclusion

Business process diagrams help ensure task performance in teams and enhance alignment within the organization. Companies use this process map to maintain and improve the quality and efficiency of work to analyze, optimize and communicate about the processes at the company.

Business process management often involves the use of BPM tools that add value to the company in terms of higher productivity, reduced spending, better control, and better visibility.

Business process management tools are used to optimize, measure, and automate business processes. They provide powerful support in the management of business processes.

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