



Research Paper

Factors Affecting Business Performance: A Case Study at Noi Bai Cargo Terminal Service JSC

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ABSTRACT

This study aims to identify the factors affecting the business performance of Noi Bai Cargo Terminal Service JSC. Using a convenience sampling method, the research surveyed 300 employees from various departments within the company. Inferential statistical methods were used to analyze the data. The results show that factors such as financial management mechanisms, strategic planning and business planning activities, physical facilities, and the skills of the workforce affect the company's business performance. Based on the research results, the study has made recommendations to the company to improve business performance in the future.

Keywords: business performance, enterprise, cargo service, NCTS

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I. INTRODUCTION

In a market economy, improving production and business efficiency is the basis for the survival and development of every enterprise, a strategic issue that requires implementation. High production and business efficiency is a decisive condition for successfully executing the reproduction process at a higher level, creating revenue to contribute more fully to the state budget. Therefore, in the process of economic reform, the issue of production and business efficiency always holds an important position in restructuring the national economy.

Improving business efficiency is not only a goal but a crucial strategy to help enterprises optimize resources and achieve sustainability in an increasingly volatile business environment. Additionally, improving business efficiency helps enterprises create higher value for customers through quality products and services and excellent experiences. This not only increases customer satisfaction but also fosters strong and long-lasting relationships. At the same time, optimizing costs and resources helps enterprises maintain competitiveness in the market. Cost savings provide immediate benefits and lay the foundation for future investment and development.

In today's business environment, improving efficiency is not only a factor for survival but also a key to sustainable development. Enterprises that can adapt and improve efficiency flexibly will maintain their position in this challenging market.

Noi Bai Cargo Terminal Service JSC (NCTS) is a member unit of Vietnam Airlines Corporation, established and officially operating from May 1, 2005. Since its establishment, NCTS has consistently affirmed its position and reputation in the field of air cargo services through service quality and value-added services. Along with the development of Vietnam's air cargo transport market, NCTS is a leading reliable partner for freight forwarding companies and airlines both domestically and internationally.

Besides its achievements, Noi Bai Cargo Terminal Service JSC faces many limitations in improving business efficiency. High operating costs, complex workflows, and intense market competition are challenges the company faces. Additionally, the technological system and staff training, legal pressures, etc., present challenges for the company in the current economic context.

II. LITERATURE REVIEW

1. Business Efficiency

Business efficiency of an enterprise is a comprehensive economic indicator reflecting the utilization level of production factors. Business efficiency also demonstrates the skillful application of theory and practice

by business managers to maximize the exploitation of production factors such as machinery, equipment, materials, and labor to increase profits. Thus, business efficiency is a comprehensive economic indicator reflecting the utilization level of physical and financial resources of the enterprise to achieve the highest efficiency (Dao 2018).

2. Factors Affecting Business Efficiency of Enterprises

2.1. Financial Management Mechanism of the Enterprise

The financial management mechanism of an enterprise plays a crucial role in shaping its business efficiency. It is not only about controlling the money in the account but also closely related to how the enterprise uses and optimizes financial resources to achieve business goals. An effective financial management mechanism is a determining factor for the stability and sustainable development of the enterprise.

2.2. Strategic Planning and Business Production Planning Activities, and Investment Strategy Selection

Strategic planning activities lay the foundation for the direction and specific objectives of the enterprise. By analyzing the business environment, evaluating competition, and identifying resources, the organization can build suitable development strategies and propose specific action plans to implement those strategies. Business production planning associated with this helps optimize resource utilization, enhance labor productivity, and ensure product or service quality.

2.3. Equipment Capability, Construction Capability, and Skill Level of Labor

The capability of equipment, construction capability, and skill level of labor all play important roles in impacting the business efficiency of an enterprise. Modern equipment and professional execution capabilities help increase productivity and product quality, while high skill levels ensure accuracy and efficiency in the working process. The harmonious combination of these factors creates an effective operational production environment, contributing to the success and development of the enterprise.

III. METHODOLOGY

This study uses quantitative analysis methods supplemented by qualitative information deemed appropriate for the research objectives. Initially, data collection involved managing questionnaires, followed by data tabulation using descriptive and inferential statistical techniques. The target audience of this study includes all business activities of Noi Bai Cargo Terminal Service JSC. The total sample size includes 300 employees, and a convenience sampling method was used for the study.

Data collection involved conducting direct interviews with employees of Noi Bai Cargo Terminal Service JSC using pre-prepared questionnaires. The questionnaire responses were structured on a 5-level Likert scale (1 – completely disagree; 2 – disagree; 3 – neutral; 4 – agree; 5 – completely agree). Collected data will be processed as necessary for analysis to achieve the research objectives and test proposed hypotheses.

IV. FINDINGS

1. Financial Management Mechanism of the Enterprise

The financial management mechanism of the enterprise plays a crucial role in ensuring stability and sustainable development. By optimizing the use of financial resources, from capital management to investment and cash management, this mechanism helps the enterprise create a flexible and efficient financial environment. It also helps the enterprise manage and mitigate financial risks, from market fluctuations to risks related to loans and finance. Survey results on the financial mechanism at Noi Bai Cargo Terminal Service JSC are shown in Table 1 below:

Table 1. Survey Results on Financial Management Mechanism at Noi Bai Cargo Terminal Service JSC

Survey Content	Total Sample	Rating Level	Average Score
	5	4	3
The financial management mechanism has been well established to improve business efficiency	260	0	130
The financial management mechanism has been implemented according to regulations	260	0	98
The financial management mechanism has been publicly disseminated to employees	260	0	103

(Source: Author's survey results)

Looking at the survey results, it shows that the financial management mechanism of the enterprise has a high average score. The financial management regulation in the enterprise is one of the very important regulations for any enterprise, helping the enterprise clearly define the principles of capital management, financial management, accounting, and issues of revenue and expenditure; thereby helping the enterprise

comply with legal regulations on accounting regimes, tax laws, labor laws, social insurance laws, etc., while optimizing financial resources.

For Noi Bai Cargo Terminal Service JSC, the financial management mechanism is quite stable with an evaluation score of 325 points. The company has well-established management mechanisms for using capital and assets and distributing profits according to regulations, and it fulfills its budget obligations to the state. However, the management mechanism has not been effectively disseminated to employees, with this indicator being evaluated at 302 points.

2. Strategic Planning and Business Production Planning Activities, and Investment Strategy Selection

Strategic planning and business production planning activities are important processes in shaping and promoting the mission, vision, and objectives of the enterprise. Through selecting suitable investment strategies, the company can optimize resources and create long-term value for the enterprise. At the same time, building detailed business production plans helps ensure efficiency and flexibility in managing production and service activities. The survey on strategic planning and business production planning activities and investment strategy selection at Noi Bai Cargo Terminal Service JSC shows the following results:

Table 2. Survey on Strategic Planning and Business Production Planning Activities and Investment Strategy Selection

Survey Content	Total Sample	Rating Level	Average Score
	5	4	3
The strategy has been well planned towards improving business production efficiency	260	0	125
SWOT analysis has been conducted thoroughly	260	0	81
The business production plan has been clearly and detailedly built	260	0	125
The business production plan has been disseminated to employees	260	0	87
The company has chosen investment strategies suitable for business production activities	260	0	107

(Source: Author's survey results)

Looking at the survey results, it shows that the strategic planning and business production planning activities and investment strategy selection have a high average score. The company's strategy has been well planned towards improving business production efficiency and is suitable for the current business production activities, with an evaluation score of 322 points. The company continues to seek opportunities to expand its operational premises to ensure long-term stability; implement comprehensive management measures to ensure efficient business production activities, enhance competitiveness, cooperate, and joint venture with partners in the cargo service chain to optimize service capacity.

The SWOT analysis activity has been implemented to continue investing in new equipment and machinery to improve service quality for customers. However, this activity has not been conducted thoroughly (scoring 303 points). The business production plan has also been well built by the company (scoring 319 points) and disseminated to employees (scoring 310 points), demonstrating that the planning process is detailed and thorough. However, there is still room for improvement in disseminating the plans and strategic objectives more effectively among employees to ensure everyone is aligned with the company's goals.

3. Equipment Capability, Construction Capability, and Skill Level of Labor

The equipment capability, construction capability, and skill level of labor are critical factors in determining the business efficiency of an enterprise. Modern equipment and advanced technology, combined with a highly skilled workforce, can significantly enhance productivity and service quality. The survey results for these factors at Noi Bai Cargo Service Joint Stock Company are shown in Table 3 below.

Table 3. Survey on Equipment Capability, Construction Capability, and Skill Level of Labor

Survey Content	Total Sample	Rating Level	Average Score
	5	4	3
The company has invested in modern equipment and technology	260	0	135
The company has implemented construction capabilities efficiently	260	0	120

Survey Content	Total Sample	Rating Level	Average Score
The workforce has high skill levels and meets job requirements	260	0	130

(Source: Author's survey results)

The survey results indicate that the equipment capability, construction capability, and skill level of labor at Noi Bai Cargo Terminal Service JSC have high average scores. The company has invested significantly in modern equipment and technology (scoring 327 points), which helps enhance productivity and service quality. The construction capabilities have been efficiently implemented (scoring 318 points), contributing to the smooth operation of the company's business activities.

The workforce's skill level is also highly rated (scoring 323 points), indicating that the employees have the necessary skills and expertise to perform their tasks effectively. This skilled workforce, combined with modern equipment, creates a productive and efficient working environment, thereby improving the company's overall business performance.

V. CONCLUSIONS AND RECOMMENDATIONS

1. Conclusions

From the survey results, it is evident that factors such as the financial management mechanism, strategic planning and business production planning activities, and the skill level of labor significantly affect the business performance of Noi Bai Cargo Terminal Service JSC. The company has established a stable financial management mechanism, detailed strategic and business production plans, and invested in modern equipment and a skilled workforce, all of which contribute to its high business efficiency.

2. Recommendations

Based on the research findings, the following recommendations are made to improve the business performance of Noi Bai Cargo Terminal Service JSC:

Enhance Financial Management Mechanisms:

- Continuously improve financial management processes to optimize the use of financial resources.
- Increase transparency and dissemination of financial management policies among employees to ensure better understanding and compliance.

Improve Strategic Planning and Business Production Planning:

- Conduct thorough SWOT analysis to identify strengths, weaknesses, opportunities, and threats, enabling better strategic decisions.
- Ensure that strategic plans and business production plans are effectively communicated to all employees to align them with the company's objectives.

Invest in Modern Equipment and Technology:

- Continue investing in modern equipment and technology to enhance productivity and service quality.
- Regularly update and maintain equipment to ensure operational efficiency and reliability.

Develop Workforce Skills:

- Implement continuous training and development programs to enhance the skills and expertise of the workforce.
- Encourage a culture of continuous learning and improvement among employees to adapt to changing market demands and technological advancements.

By implementing these recommendations, Noi Bai Cargo Terminal Service JSC can further improve its business performance, maintain its competitive edge, and achieve sustainable growth in the long term.

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