

Strategic Solutions to Enhance Business Performance for Enterprises in Phu Tho Province, Vietnam

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Abstract: Enterprises in Phu Tho Province play a pivotal role in generating employment and contributing to the local budget. In recent years, although they have made notable achievements and played a significant part in the socio-economic development of the province, their operations and contributions have not yet fully realized their potential. This paper evaluates the current state of business performance of enterprises in Phu Tho Province, Vietnam, and offers a range of strategic solutions to enhance their business efficiency in the forthcoming period.

Keywords: Business Efficiency, Enterprises, Phu Tho Province.

1. INTRODUCTION

Phu Tho is esteemed as the cradle of Vietnam's ancient heritage, situated in the northern midland and mountainous region, covering a natural area of 3,534.7 km², with a population of 1,530,847 people. In recent years, the economic landscape of Phu Tho has experienced significant strides toward sustainable development. In 2023, the province's Gross Regional Product (GRP) at constant prices (base year 2010) is projected to reach 52,517.2 billion VND, marking a 7.92% increase compared to 2022. Specifically, the industrial and construction sectors grew by 11.29%, the services sector rose by 7.07%, and the agriculture, forestry, and fishery sectors expanded by 3.92%. In terms of economic structure in 2023, the agriculture, forestry, and fishery sector accounted for 17.90%, the industrial and construction sector represented 38.38%, and the services sector comprised 37.81%.

With over 6,000 active enterprises in 2023, more than 870,000 local jobs have been generated. These businesses have undergone significant transformations, enhancing their operations and adapting to the socio-economic shifts of the 4.0 Industrial Revolution to boost business performance. However, surveys reveal that many enterprises still grapple with challenges such as modernizing their strategic thinking, improving management practices, and exploring new market opportunities. Consequently, some face financial losses, struggle to recover capital, and are forced to cease operations.

Thus, assessing business performance, identifying the underlying causes of failure, and formulating actionable solutions to resolve challenges and enhance business efficiency for enterprises in Phu Tho Province have become critical imperatives at this juncture.

2. CURRENT STATUS OF ENTERPRISES OPERATING IN PHU THO PROVINCE, VIETNAM

2.1. Number of Enterprises Operating in Phu Tho Province

In 2023, Phu Tho Province saw the establishment of 876 new enterprises, with a total registered capital of 12,989.73 billion VND. While the number of newly registered enterprises decreased by 7.3% compared to the previous year, the registered capital experienced an increase of 7.9%. The majority of the newly established enterprises operate in sectors such as manufacturing and processing industries, wholesale and retail trade, motor vehicle and motorcycle repair, and construction.

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During the period, 75 enterprises encountered significant challenges, prompting them to initiate procedures for dissolution or cessation of business operations, marking an 11.9% rise (an increase of 8 enterprises) compared to the same period last year.

As of December 31, 2023, there were 6,069 enterprises actively operating, reflecting a 17.5% growth compared to 2022 (an increase of 904 businesses).

Table 1: Number of Enterprises Newly Registered in 2023

	Total Number of Registered Enterprises	Total Registered Capital (Billion VND)	Total Number of Registered Employees (Persons)
TOTAL	876	12.989,73	6.875
1. Classified by Type of Enterprise			
State-Owned Enterprises	-	-	-
Private Enterprises	869	12.518,34	5.646
Foreign-Invested Enterprises	7	471,39	1.229
2. Classification by Economic Sector			
Agriculture, Forestry, and Fisheries	13	171,51	73
Mining industry	25	314,39	168
Manufacturing and processing industry	200	1.519,28	2.787
Production and distribution of electricity, gas, hot water, steam, and air conditioning	2	16,12	16
Water supply; waste management and wastewater treatment activities	4	18,00	21
Construction	103	610,13	607
Wholesale and retail; repair of automobiles, motorcycles, and other motor vehicles.	286	6.979,73	1.821
Transportation and warehousing	65	286,74	367
Accommodation and food services	15	85,49	88
Information and communication	11	15,60	61
Financial, banking, and insurance activities	1	5,00	3
Real estate business activities	24	2.563,90	190
Professional, scientific, and technological activities	45	194,75	220
Administrative activities and support services	33	118,94	192
Education and training	36	56,60	203
Healthcare and social assistance activities	3	7,50	9
Arts, entertainment, and recreation	7	14,55	37
Other service activities	3	11,50	12

Source: Statistical Almanac of Phu Tho Province 2023

Table 2: Number of enterprises that ceased operations in 2023

	Total number of enterprises dissolved (Enterprises)	Total registered capital (Billion VND)	Total registered workforce (Individuals)
TOTAL	75	4.371,69	642
1. Classified by Type of Enterprise			
State-Owned Enterprises	-	-	-
Private Enterprises	73	4.318,79	572
Foreign-Invested Enterprises	2	52,90	70
2. Classification by Economic Sector			
Agriculture, Forestry, and Fisheries	2	1,09	15
Mining industry	2	8,60	36
Manufacturing and processing industry	17	281,58	212
Production and distribution of electricity, gas, hot water, steam, and air conditioning	-	-	-
Water supply; waste management and wastewater treatment activities	-	-	-

Construction	5	15,86	53
Wholesale and retail; repair of automobiles, motorcycles, and other motor vehicles.	27	3,976,90	159
Transportation and warehousing	7	18,97	37
Accommodation and food services	1	9,00	25
Information and communication	1	1,00	8
Financial, banking, and insurance activities	-	-	-
Real estate business activities	2	41,89	15
Professional, scientific, and technological activities	2	4,10	8
Administrative activities and support services	5	7,60	46
Education and training	-	-	-
Healthcare and social assistance activities	4	5,1	28
Arts, entertainment, and recreation	-	-	-
Other service activities	-	-	-

Source: Statistical Almanac of Phu Tho Province 2023

Table 3: Number of businesses actively engaged in production and business as of December 31st each year
Enterprises

	2015	2020	2021	2022	2023
TOTAL	2.716	4.530	5.176	5.165	6.069
1. Classified by Type of Enterprise					
State-Owned Enterprises	33	16	14	15	15
Central Administration	25	11	9	10	10
Regional Authorities	8	5	5	5	5
Private Enterprises	2.604	4.382	4.999	4.979	5.875
Private Enterprises	271	230	228	198	202
General Partnership	3	21	13	21	22
Limited Liability Company	1.515	2.922	3.436	3.482	4.151
State-Owned Corporation	17	11	9	11	11
Non-State-Owned Corporation	798	1.198	1.313	1.267	1.489
Foreign-Invested Enterprises	79	132	163	171	179
Wholly Foreign-Owned Corporation	72	126	157	161	167
Foreign-Invested Joint Venture	7	6	6	10	12
2. Classification by Economic Sector					
Agriculture, Forestry, and Fisheries	28	50	63	43	51
Mining industry	48	77	90	78	92
Manufacturing and processing industry	578	1.027	1.209	1.347	1.583
Production and distribution of electricity, gas, hot water, steam, and air conditioning	4	5	6	6	7
Water supply; waste management and wastewater treatment activities	9	20	19	19	22
Construction	480	741	846	831	976
Wholesale and retail; repair of automobiles, motorcycles, and other motor vehicles.	950	1.542	1.706	1.666	1.958
Transportation and warehousing	193	293	320	320	376
Accommodation and food services	78	110	121	112	132
Information and communication	10	18	25	25	29
Financial, banking, and insurance activities	7	16	25	24	28
Real estate business activities	21	59	86	64	75
Professional, scientific, and technological activities	216	333	376	388	456
Administrative activities and support services	46	114	131	128	150
Education and training	29	85	97	64	75
Healthcare and social assistance activities	6	15	20	16	19
Arts, entertainment, and recreation	4	7	12	12	14
Other service activities	9	18	24	22	26

Source: Statistical Almanac of Phu Tho Province 2023

2.2. Some Indicators Reflecting the Business Performance of Enterprises in Phu Tho Province, Vietnam

2.2.1. Net Revenue

In 2022, the net revenue from production and business activities of enterprises operating with positive business results reached VND 206.71 trillion, an increase of 17% compared to 2021. Among them, private enterprises (non-state-owned) generated VND 132.1 trillion, a rise of 18.5%; foreign-invested enterprises reached VND 55.4 trillion, an increase of 10%; and state-owned enterprises achieved VND 19.2 trillion, up 29%. In terms of structure: Private enterprises accounted for the largest share at 63.91%, foreign-invested enterprises made up 26.8%, while state-owned enterprises only represented 9.29%.

Table 4: Net Revenue of Enterprises Unit: Billion VND

	2015	2019	2020	2021	2022
TOTAL	87.311	154.906	148.203	176.728	206.710
1. Classified by Type of Enterprise	11.133	13.159	11.599	14.882	19.195
State-Owned Enterprises	10.398	12.864	11.359	12.235	15.464
Central Administration	735	295	240	2.646	3.731
Regional Authorities	56.400	100.435	90.167	111.498	132.112
Private Enterprises	2.262	6.844	1.406	1.359	1.736
Private Enterprises	1	9	29	14	22
General Partnership	29.672	52.649	53.547	68.643	79.669
Limited Liability Company	4.815	1.406	1.866	2.157	2.707
State-Owned Corporation	19.650	39.528	33.319	39.325	47.978
Non-State-Owned Corporation	19.778	41.312	46.437	50.348	55.403
Foreign-Invested Enterprises	19.286	40.647	45.859	49.675	54.262
Wholly Foreign-Owned Corporation	492	665	578	673	1.141

Source: Statistical Almanac of Phu Tho Province 2023

2.2.2. Pre-Tax Profit

In 2022, enterprises operating in Phu Tho Province incurred a loss of VND 820.71 billion. The pre-tax profit of state-owned enterprises reached VND 398.54 billion, an increase of 58.89%; non-state-owned enterprises earned VND 12.13 billion, a decrease of 98.67%; while foreign-invested enterprises reported a loss of VND 1,232.56 billion. Thus, it can be observed that in 2022, the performance of enterprises was less effective compared to 2021, especially for foreign-invested enterprises.

By industry: The following sectors reported profits: Wholesale and retail trade; repair of motor vehicles, motorcycles, and other motor vehicles (VND 22.96 billion); Real estate activities (VND 240.89 billion); Health and social assistance services (VND 10.84 billion); Arts, entertainment, and recreation (VND 7.71 billion); Information and communications (VND 1.56 billion). Other sectors, however, experienced losses in 2022.

Table 5: Pre-Tax Profit of Enterprises Unit: Billion VND

	2015	2019	2020	2021	2022
TOTAL	843,70	3.724,83	2.648,99	1.880,79	-820,71
State-Owned Enterprises	518,66	210,99	89,23	250,82	398,54
Central Administration	510,73	215,04	100,57	242,72	395,28
Regional Authorities	7,93	-4,05	-11,33	8,10	3,26
Private Enterprises	203,16	416,40	279,50	1.004,40	13,32
Private Enterprises	-4,80	36,06	-12,69	-9,11	-8,73
General Partnership	0,01	-0,96	-1,44	0,22	-0,68
Limited Liability Company	19,09	-200,69	-131,72	13,93	16,98
State-Owned Corporation	78,30	139,99	93,49	104,71	95,04
Non-State-Owned Corporation	110,56	442,00	331,85	894,66	-89,29
Foreign-Invested Enterprises	121,88	3.097,44	2.280,26	625,58	-1.232,56
Wholly Foreign-Owned Corporation	122,50	3.093,38	2.273,17	620,67	-1.242,01
Foreign-Invested Joint Venture	-0,62	4,06	7,09	4,91	9,45

Source: Statistical Almanac of Phu Tho Province 2023

2.2.3. Profit Margin on Revenue

In 2022, the profit margin on revenue of enterprises decreased overall, with an average of -0.04%, down by 1.46% compared to 2021. State-owned enterprises achieved the highest profitability at 2.08%, an increase of 0.39%; non-state-owned enterprises had a profit margin of 0.01%, a decrease of 0.89%; and foreign-invested enterprises recorded the lowest

at -2.23%, a decrease of 3.47%. Thus, it can be seen that in 2022, the business performance of enterprises was less effective compared to 2021, especially for foreign-invested enterprises.

By Industry:

The sectors with a positive profit margin on revenue included Real estate activities (24.84%); Financial, banking, and insurance activities (6.72%); Arts, entertainment, and recreation (5.38%); and Information and communication (4.01%). Other sectors all reported negative profit margins, with many enterprises incurring losses and performing inefficiently.

Table 6: Profit Margin on Revenue by Type of Enterprise Unit: %

	2015	2019	2020	2021	2022
TOTAL	0,966	2,405	1,77	1,06	-0,40
State-Owned Enterprises	4,659	1,603	0,77	1,69	2,08
Central Administration	4,912	1,672	0,89	1,98	2,56
Regional Authorities	1,079	-1,377	-4,73	0,31	0,09
Private Enterprises	0,360	0,415	0,33	0,90	0,01
Private Enterprises	-0,212	0,527	-0,87	-0,67	-0,50
General Partnership	0,606	-10,897	-4,91	1,60	-3,09
Limited Liability Company	0,064	-0,381	-0,25	0,02	0,02
State-Owned Corporation	1,627	9,959	5,01	4,86	3,51
Non-State-Owned Corporation	0,563	1,118	1,04	2,28	-0,19
Foreign-Invested Enterprises	0,616	7,498	4,91	1,24	-2,23
Wholly Foreign-Owned Corporation	0,635	7,610	4,96	1,25	-2,29
Foreign-Invested Joint Venture	-0,126	0,610	1,23	0,73	0,83

Source: Statistical Almanac of Phu Tho Province 2023

Table 7: Profit Margin on Revenue by Industry Unit: %

	2015	2019	2020	2021	2022
TOTAL	0,966	2,405	1,77	1,06	-0,4
Agriculture, Forestry, and Fisheries	-7,578	-16,805	-11,49	-13,3	-8,4
Mining industry	-9,74	-3,061	1,4	-2,2	-0,31
Manufacturing and processing industry	1,862	4,882	3,51	1,77	-0,56
Production and distribution of electricity, gas, hot water, steam, and air conditioning	12,319	3,168	0,69	1,95	1,55
Water supply; waste management and wastewater treatment activities	1,188	2,365	1,93	3,22	-8,92
Construction	-0,126	1,312	0,98	0,63	-2,15
Wholesale and retail; repair of automobiles, motorcycles, and other motor vehicles.	0,158	0,052	0,07	0,19	0,03
Transportation and warehousing	0,629	-2,57	-2,03	-3,93	-0,92
Accommodation and food services	-3,732	-8,664	-8,41	-14,83	-0,8
Information and communication	-5,812	-1,29	4,06	2,94	4,01
Financial, banking, and insurance activities	1,804	9,334	-1,38	3,51	6,72
Real estate business activities	-11,172	29,488	0,75	41,89	24,84
Professional, scientific, and technological activities	0,213	-0,467	-0,34	-0,53	-0,4
Administrative activities and support services	-2,199	-2,992	-1,32	-1,52	-0,97
Education and training	-3,26	-3,089	-3,07	-9,15	-4,16
Healthcare and social assistance activities	2,444	9,854	2,3	0,39	1,7
Arts, entertainment, and recreation	7,574	8,577	-0,2	-5,64	5,38
Other service activities	-9,545	0,798	-8,14	-1,59	-5,39

Source: Statistical Almanac of Phu Tho Province 2023

2.2.4. Return on Business Capital

In 2022, the return on business capital of active enterprises was low, decreasing by 1.561% compared to 2021. State-owned enterprises reported the highest return at 2.756%, an increase of 0.966%; non-state-owned enterprises had a return of 0.01%, a decrease of 0.893%; and foreign-invested enterprises reported -2.75%. Many enterprises incurred losses, resulting in a negative return on business capital. The business performance of enterprises in 2022 was significantly lower than in 2021.

Table 8: Return on Business Capital Unit: %

	2015	2019	2020	2021	2022
TOTAL	1,163	3,155	1,865	1,132	-0,429
State-Owned Enterprises	4,624	1,379	0,586	1,790	2,756
Central Administration	5,328	1,704	0,836	2,277	3,573
Regional Authorities	0,486	-0,151	-0,355	0,241	0,096
Private Enterprises	0,401	0,537	0,294	0,883	0,010
Private Enterprises	-0,180	0,550	-0,849	-0,650	-0,608
General Partnership	0,143	-0,701	-1,500	0,786	-1,063
Limited Liability Company	0,081	-0,649	-0,264	0,024	0,026
State-Owned Corporation	1,544	8,531	3,922	4,244	3,352
Non-State-Owned Corporation	0,573	1,157	0,801	1,720	-0,145
Foreign-Invested Enterprises	1,138	12,253	7,206	1,631	-2,750
Wholly Foreign-Owned Corporation	1,209	12,469	7,281	1,640	-2,849
Foreign-Invested Joint Venture	-0,107	0,864	1,672	0,963	0,763

Source: Author's compilation and calculation from the 2023 Statistical Yearbook of Phu Tho Province.

2.2.5. Revenue per Worker

In 2022, the revenue per worker reached VND 1.225 billion/worker, an increase of 17.56% compared to 2021. Among them, state-owned enterprises achieved VND 3.011 billion/worker, up 34.48%; non-state-owned enterprises reached VND 1.514 billion/worker, an increase of 13.75%; and foreign-invested enterprises recorded VND 0.738 billion/worker, a rise of 16.22%. The revenue per worker across all types of enterprises increased, indicating a significant improvement in labor productivity.

Table 9: Revenue per Worker Unit: Billion VND/Worker

	2015	2019	2020	2021	2022
TOTAL	0,691	1,022	0,947	1,042	1,225
State-Owned Enterprises	1,057	1,697	1,704	2,239	3,011
Central Administration	1,182	1,989	1,907	2,214	2,819
Regional Authorities	0,423	0,229	0,283	2,360	4,197
Private Enterprises	0,820	1,342	1,155	1,331	1,514
Private Enterprises	0,747	1,138	0,603	0,672	0,858
General Partnership	0,043	0,184	0,095	0,156	0,159
Limited Liability Company	0,906	1,322	1,234	1,425	1,627
State-Owned Corporation	1,172	0,890	1,011	1,202	1,398
Non-State-Owned Corporation	0,681	1,446	1,104	1,241	1,404
Foreign-Invested Enterprises	0,420	0,598	0,648	0,635	0,738
Wholly Foreign-Owned Corporation	0,447	0,634	0,692	0,679	0,779
Foreign-Invested Joint Venture	0,124	0,136	0,106	0,111	0,208

Source: Author's compilation and calculation from the 2023 Statistical Yearbook of Phu Tho Province

2.2.6. Average Monthly Income of Workers

In 2022, the average monthly income of workers reached VND 8.655 thousand, an increase of 7.95% compared to 2021. Among them, state-owned enterprises reported VND 11.072 thousand, up 9.6%; foreign-invested enterprises had VND 8.854 thousand, an increase of 4.3%; and non-state-owned enterprises reached VND 8.289 thousand, up 11.86%. The average monthly income of workers across all types of enterprises increased. This improvement will enhance workers' living standards and create a sense of job security. The sectors with the highest incomes were Health and social assistance; Service activities; Real estate business activities; and Professional, scientific, and technological services, with incomes exceeding VND 10 million per person per month.

Table 10: Average Monthly Income of Workers Unit: Thousand VND

	2015	2019	2020	2021	2022
TOTAL	5.353	7.499	7.309	8.017	8.655
State-Owned Enterprises	6.871	8.209	8.692	10.101	11.072
Central Administration	7.463	8.910	9.222	10.735	11.781
Regional Authorities	3.794	4.594	5.048	7.004	6.596
Private Enterprises	5.196	7.788	5.694	7.410	8.289
Private Enterprises	5.084	7.079	2.156	5.349	6.667
General Partnership	3.472	6.541	6.501	5.715	9.040

Limited Liability Company	5.248	8.065	7.609	6.973	7.879
State-Owned Corporation	5.622	7.625	6.988	8.544	9.419
Non-State-Owned Corporation	5.089	7.559	7.840	8.134	8.920
Foreign-Invested Enterprises	5.231	7.091	8.165	8.487	8.854
Wholly Foreign-Owned Corporation	5.330	7.352	3.964	8.769	9.037
Foreign-Invested Joint Venture	4.185	3.951	3.964	5.197	6.492

Source: Statistical Almanac of Phu Tho Province 2023

Thus, it can be seen that the business performance of enterprises is still low, and they have not fully utilized advantages such as labor, land, raw materials, etc. Many enterprises are facing losses and are at risk of ceasing operations. The indicators reflecting profit margins, net revenue, and labor productivity remain low. Therefore, enterprises need to undergo comprehensive reforms to improve business efficiency, contribute to the state budget, and increase reinvestment accumulation.

3. STRATEGIC SOLUTIONS FOR ENHANCING BUSINESS EFFICIENCY FOR ENTERPRISES IN PHU THO PROVINCE, VIETNAM

First, Continuously Strengthen the Legal Framework to Foster a Conducive Business Environment

For state-owned enterprises, it is crucial to manage and invest state capital in a way that enables the state to fulfill its ownership rights and obligations through the designated capital representatives and equity holders. Inefficient state-owned enterprises should undergo restructuring to enhance their effectiveness.

For foreign-invested enterprises, the government must implement policies that attract and retain foreign capital. Newly established businesses should be supported with tax incentives and preferential land use policies to help them thrive.

For small and medium-sized enterprises (SMEs), comprehensive support policies should be implemented, including legal guidance, technical assistance, access to capital, and market development programs.

Second, Strengthen Economic Linkages, Establish Strategic Partnerships, and Foster the Expansion of Industrial Parks

Enterprises must recognize that growth and success are contingent on cooperation. The products of one business often become essential inputs for another. Collaborating with strategic partners, suppliers, and other business associates is a powerful method for expanding networks, boosting competitiveness, and creating new development opportunities. Strengthening these inter-business linkages will enable firms to capitalize on their strengths while mitigating weaknesses.

Promoting the province's competitive advantages: heritage tourism, the commercialization of traditional products such as tea, handicrafts, and fine arts. Additionally, focusing on the expansion and development of industrial parks: Phu Ha, Thuy Van, Trung Ha, Tam Nong, Phu Ninh, Cam Khe, Ha Hoa. Establishing integrated systems within industrial parks to facilitate product distribution, labor utilization, and cross-park collaborations.

Third, Optimize Marketing Strategies to Drive Growth

Increasing revenue is one of the most fundamental and effective ways to improve business performance. To achieve revenue growth, enterprises must prioritize effective product consumption and sales strategies. Furthermore, companies should ensure the production of high-quality products that meet the evolving needs and preferences of consumers, with appealing and diverse designs. Developing robust marketing strategies will enable businesses to attract a broad customer base, foster brand loyalty, and significantly increase market share.

Effective marketing operations are pivotal for enhancing overall business efficiency. Enterprises should craft tailored marketing strategies aligned with their business goals and customer demographics. Utilizing advanced communication channels such as social media, email marketing, and online advertising will help businesses reach new potential customers and elevate their brand visibility.

All marketing activities must be executed systematically and professionally, with performance monitored and adjusted continuously. Without proper planning and oversight, businesses will waste considerable resources. Developing an accurate marketing strategy, grounded in the company's current realities, is paramount. Key aspects to focus on include:

- Product strategies
- Pricing strategies
- Promotional communication strategies
- Distribution strategies

Fourth, Establish a Business Performance Analysis Department

Implementing rigorous business performance analysis is essential for managers to accurately assess current operations, enabling timely and informed decision-making to facilitate growth. Such analyses should be performed periodically (monthly, quarterly, or annually). After analysis, the department will produce reports and provide actionable recommendations for addressing operational challenges and predicting future market trends. Analytical content should focus on capital utilization, revenue profitability, and the relationship between inputs and outputs. This process can be supported by analytical tools such as Excel, Microsoft Power BI, Tableau, R Programming, and Python.

Fifth, Invest in Employee Development and Training

Employees represent one of the most valuable assets of any organization. Enhancing employee performance and increasing conversion rates depend significantly on investing in comprehensive employee development programs. Training initiatives should aim to enhance employees' knowledge of products/services, improve work processes, and develop strong customer interaction skills.

To ensure optimal employee performance, businesses must prioritize training programs to elevate their workforce quality. Identifying training needs based on the human resource plan will facilitate the achievement of strategic objectives. Specific measures include:

- Organizing short-term training courses to allow employees to learn from industry experts and gain valuable experience.
- Implementing clear reward and recognition systems to encourage creative, results-driven work and foster employee loyalty.
- Providing essential tools and resources to employees, demonstrating the company's investment in their professional growth and creating a more conducive work environment.

Sixth, Leverage Cutting-Edge Technology

According to Salesforce research, 59% of salespeople in the manufacturing sector are expected to miss their sales targets, with only 37% of their time spent on actual selling activities. Artificial intelligence (AI) presents a viable solution to this challenge. With AI, routine tasks can be automated, allowing employees to focus on more strategic activities. Salesforce's Service Status Report indicates that 51% of customer service agents spend a significant amount of time handling routine tasks, whereas 34% of those using AI save valuable time to concentrate on service improvement.

Similarly, AI can help automate various tasks for salespeople, such as gathering information and processing common customer inquiries.

The integration of technology across all business functions is crucial for driving operational efficiency, from market research and product development to manufacturing and distribution. Real-time data analysis powered by AI enables precise decision-making and cost-saving, enhancing overall business performance and profitability.

4. CONCLUSION

Business efficiency is a pivotal instrument for managers to effectively execute their functions. The assessment and calculation of business efficiency not only provide insight into the level of production attained but also empower managers to analyze and identify key factors, thereby formulating appropriate strategies aimed at both enhancing performance and optimizing operational costs, ultimately driving greater efficiency. Enterprises in Phu Tho Province must embrace innovation and integrate advanced technologies throughout their operational processes to significantly improve business effectiveness. This approach serves as a crucial foundation for ensuring the sustainability and long-term growth of businesses in the future.

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