



Problems of business culture in Vietnam today

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Abstract

Building business culture plays an important role in the sustainable development of businesses and the economy. Therefore, it is necessary and emergency to observe effective solutions to build the business culture under the condition of developing market economy and international integration in Vietnam today. During the process of building and developing a Socialist-oriented market economy, the Party and Government consistently respect the construction of business culture and enhance the cultural factors in the process of manufacturing and business, thereby promoting businesses to develop continuously and contributing to the sustainable development of the country. In this article, the author analyzes some general theoretical issues about business culture and proposes some solutions to build business culture in Vietnam today.

Keywords: culture, business culture, business, Vietnam

Introduction

In recent years, as many countries around the world, in Vietnam, the concept of “business culture” has become more and more popular, the issues of business culture have been mentioned as an indispensable factor when discussing about businesses, especially for businesses operating in the service sector. Lessons on the development of NICS countries and the failure of some developed capitalist countries in the economic field have profoundly confirmed the role of cultural factors in business management. According to Associate Professor Dr. Duong Thi Lieu, in the context of the scientific and technological revolution, the information society and the knowledge economy, the competition in the market is essentially the competition of business culture and corporate cultural identity (Duong Thi Lieu, 2009) ^[1]. Business culture is becoming more and more a necessity, an objective trend in modern society. Vietnamese businesses cannot stay out of that trend.

Research content

1. General theoretical issues about business culture

Culture is a human product created in the process of labor, governed by the environment and personality of each ethnic group. Thanks to culture, humans become different from other animals. Moreover, because they are governed by the surrounding environment and ethnic character, the culture of each ethnic group will have its own characteristics.

Business culture is a system of spiritual values and standards that govern all business activities. When operating business activities, everyone aspires to be rich, but not everyone knows how to be rich. The way to be rich means not to be rich at all costs, but to have standards and orientations, meaning to find ways to maximize profits but still have to comply with the law and common moral values (Phung Xuan Nha, 2011) ^[2]. An enterprise or businessman having a business culture means that they understand how to harmonize the benefits of themselves and the business with the interests of the community, enriching themselves but not causing harm to the environment. In addition, they should ensure labor security, labor rights, fair pay, training and development of employees and the benefits and safety of consumers.

Features of business culture

Business culture is the culture of a particular field in society, a part of the national and social culture. It also has common characteristics of culture; hence, some characteristics of business culture can be generalized as follows:

Custom: The value system of the business culture will determine whether the behaviors are suitable in a particular society. These customs need to be encouraged and developed because they represent the good cultural features of the country as well as the business.

Community: Business culture includes typical activities with the goal of making profits and meeting customer requirements so that it cannot exist by itself. It is a common convention in the social community that members of a community follow the convention naturally, not forced.

Ethnicity: It is an indispensable feature of business culture because business culture itself is a part of national culture. When national cultural values are instilled in all business activities, it will create the common thinking and feelings of businessmen in the same ethnic group.

Subjectivity: It is expressed through the fact that different subjects will have different thoughts and evaluations about the same business event and phenomenon.

Objectivity: Because it is formed in a whole process with the influence of many external factors such as society, history and integration, the objectivity exists with the business itself. There are values of business culture that force businessmen to accept, but cannot change the values according to subjective wishes.

Inheritance: In the business process, every generation will add its own unique characteristics to the business culture system before passing it on to the next generation. As time goes by, under refinement and accumulation, the values of the business culture become richer, more diverse and purer.

The roles of business culture in the development of enterprises

Business culture plays an essential role in the development of enterprises. Business culture contributes to promoting the sustainable development of enterprises, specifically as follows:

Firstly, business culture contributes to increase human resources for the development of enterprises.

In present's production and business activities, people mention about the function of technology, economic and technical information, but turning it into quality products must be through human being. People are an important resource for the development of an enterprise. Business culture is a factor that strongly promotes human resources for the development of enterprises.

Mr. Takahiro Sekimoto, General Director of Nippon Electronics Company (NEC) emphasized: In fact, in the era of globalization, the importance of business culture can be considered as the fifth manager factor, standing after human, property, monetary and information factors (1). Japanese economic miracle attracts a lot of world attention. Explaining the miracle of Japan's growth, a sociological survey in several enterprises asked why Japanese continuously increase their productivity, the answer stated 4 reasons: For the sake of the country, for the Emperor; For the sense of responsibility to the businesses; For the workers' conscience; For the bounty. Thus, it is the spiritual values in each employee that strongly motivate them to find ways to develop the business. In other words, one of the reasons explaining the Japanese miraculous development is that Japanese businesses have built their own business culture. Business culture in each enterprise is its active and inner environment created by the leaderships, directly affecting spirit, attitude, labor behavior and loyalty of every members to the enterprises. In a healthy business culture environment, values and beliefs are affirmed, employees are respected and they find their dedication useful, so they stick with the business. It contributes to strengthening employee loyalty to the business, so the business can attract and retain talents. Employees in the corporation see themselves as having the opportunity to assert themselves and advance, so they enthusiastically operate independently and take initiative to achieve many benefits for themselves and the business. Simultaneously, a healthy business culture environment will encourage the spirit of cooperation among employees towards the common goal of business development (Nguyen Manh Quan, 2012) ^[3].

Second, business culture contributes to building the brand and reputation of the business with consumers. Enterprises can only survive sustainably and prosper when affirming their reputation and brand based on product quality. Product quality and the commitment to ensure product quality for consumers are the values of the business culture of the enterprise. An enterprise with a good business culture means having the judicious business philosophy, guiding their entire activities. An enterprise with a good business culture consistently pursues the value that it has determined despite the impact from external circumstances. That value is to build consumer confidence by product quality, respect the interests and safety of consumers with product quality, never accept the "snatch business" and attach importance on temporary profits, damaging the community. These days, consumers tend to increasingly become "wise consumers", they are interested in choosing quality and safe products. Therefore, businesses with a good business culture will definitely be the choice of consumers, being trusted by consumers. The trust and support of consumers for the business is the source of strength of the business.

Business culture plays a vital role in the development of enterprises, but currently, many Vietnamese businesses are still unaware of that, so they have not paid much attention to building business culture in their companies. Up to 92% of enterprises are classified as having normal or poor business culture (Do Minh Cuong, 2001) ^[4]. The operations of many organizations and corporations continue to snatch; widespread instances of business fraud, smuggling, tax evasion, disregard for the planet, and customer treatment based on the tenet "big fish eat small fish" still exist. Additionally, a portion of business owners abuse workers, fail to pay them for two or three months and find creative ways to get out of having to pay for social insurance and health insurance (Do Thi Phi Hoai, 2009) ^[5]. Some businesses cannot support rapid and sustainable economic development and cannot create Vietnamese brands that are competitive enough in the present globalization framework because they only focus on short-term gains and ignore the long-term interests of the community. There are several factors that contribute to Vietnam's underdeveloped business culture, including the fact that our market economy is still in its early stages of development and that market economy institutions and regulations are still lacking. There is not a conducive atmosphere for firms to grow sustainably with a good business culture. Additionally, because corruption in the state system has not been completely eradicated in recent years, it has had a negative impact on firms' business cultures. The business executives lack a long-term vision and strategy despite the fact that they are in their first year of operation, lack much experience, expertise, or bravery, and are impacted by the country's thousands of years of small-scale farming. For instance, they operate in a fragmented and small style, focusing mostly on short-term gains, therefore they do not place much emphasis on creating a business culture (Tran Ngoc Them, 2008) ^[6]. In order to support the development of robust and competitive Vietnamese businesses in

the context of international economic integration as well as efficient and sustainable development in Vietnam, it is urgently necessary to create a business culture for Vietnamese enterprises.

2. Some solutions to build business culture in Vietnam

The first solution is to build a healthy business environment.

The component that has the biggest impact on how an organisation develops its business culture is the surrounding business environment. In particular, a person will be more likely to have a positive personality if they are part of a good group and have a positive social environment. Therefore, the State has to create a strict and equitable legal framework to deal with businesses that have acts lacking in business culture, be it polluting the environment and producing fake or subpar goods, impacting consumers, and those businesses do not respect the interests of employees and evade taxes. Contrarily, the law also needs regulations that support, strengthen, and provide incentives to companies that abide by the law and significantly improve the community and society. The “fertile ground” to nourish and grow a business culture in each organization is only a complete legal framework producing a wholesome business environment.

The second solution is to raise the culture of cadres and civil servants of public agencies.

Along with improving the law, it is essential to combat negativity in the apparatus of power and purge corrupt individuals from the Party and State apparatus at all levels, from the national government to towns, branches, and levels. It is feasible to create an environment that is fair and equitable for business and actually establish a business culture by making the Party and State apparatus clean and genuinely fair in law enforcement. Therefore, it is impossible to demand a clean enterprise if the State apparatus is still corrupt, and it is impossible to demand a culture from an enterprise while state officials act in a self-serving and uncultured manner. It is impossible to encourage businesses to be interested in developing business culture if a corrupt portion of the cadre and civil service contingent is willing to cover up for uncultured acts of enterprises like making counterfeit goods, contraband, tax evasion, exploiting workers, and polluting the environment (Nguyen Viet Loc, 2009). In addition, when the lack of business culture brings people more benefits than having culture, calling them to have a business culture is just unthinkable. The World Economic Forum has released a composite index ranking of countries, which shows that enterprises have to spend money outside the law on import and export Vietnam ranked 100/104, spending money outside the law in tax revenue is 97/104, and extralegal spending in using public services is 91/104. It will be incredibly challenging to create a corporate culture in Vietnam because corruption is still a “national problem” that cannot be solved at this time. The biggest pressing issue is therefore to fight corruption and purge the system. Then and only then can we set the stage for the emergence of a corporate culture.

The third solution is to promote self-consciousness and efforts of the cadres.

It takes more than just the leadership’s intentions to create a strong business culture; every employee must work extremely hard to make this happen. It takes time and a variety of forms to establish a system of concepts, values, beliefs, and standards within an organization. However, once it has taken shape, business culture transforms into a unique and valuable foundation that directs and controls the activities of all personnel within the company; it can inspire creativity; ignite goals and ambitions; and foster and cultivate shared cultural values. As a result, although management styles, business strategies, and product lines may alter over time, an organization’s core values never do. Additionally, that culture has the power to influence, draw in, and alter the original culture of new leaders and employees that join the company. The traditions, identities, and features of the company are also shaped by the cultures and are passed down from one person to the next, generation to generation.

The fourth solution is propaganda, education, training, and awareness raising about business culture.

Currently, the value of business culture is not well understood in Vietnam’s society or in any individual company. In order to increase both business and societal knowledge of company culture, the press have to take an action improving the situation. In addition to serving as a wake-up call for firms, the press must battle against dishonest and unethical business practices so that customers become aware of them and avoid doing business with them. Hence, others must be “startled” and react appropriately. Likewise, the press also encourages and propagates more robust and culturally rooted businesses, which genuinely enrich, brighten Vietnamese brands, and promote the right, good, and beautiful in business culture. As a result, consumers are more likely to trust and support these companies, allowing them to grow. Nevertheless, the press only truly promotes the growth of corporate culture when it serves as a fair, honest, unbiased, and accurate “reflector”. It will cease to function and even have a detrimental effect on corporate culture when the press is misused, turning into a “tool” for enterprises to enhance their brands or outperform their rivals.

The fifth solution is to improve the company team’s culture in Vietnam.

The “captain at the top of the business boat” - each entrepreneur - must first have a business culture for there to be a business culture across the organization. An entrepreneur is someone who establishes the ideals and standards for business operations up front and trains all employees to recognize, respect, and follow them. Therefore, each business owner must possess the following qualities in order to create a corporate culture, including a feeling of citizenship before the nation; a strategic, long-term vision; the ability to rise above fragmentation and pettiness and the simple quest for temporary profit; and the courage to compete both domestically and abroad. Along with the effective execution of the aforementioned solutions, education and training provided in schools are crucial in achieving this. Business ethics and culture must be made required

courses in economic training programs with the proper length. In addition, when creating training programs, workshops, seminars, and conferences, branches, levels, and associations need to be careful to incorporate business culture content.

The sixth solution is to promote the power of media.

Mass media outlets frequently have a significant impact on society, promoting good deeds and corporate social responsibility while glorifying typical company examples. Simultaneously, the media informs a judge of the wrongdoings and legal transgressions of some businesses, fostering a positive business climate. In order to encourage the development of corporate culture and company culture, it is vital to promote the power of the mass media in information dissemination, education, knowledge acquisition, and inspiration. By utilizing the advantages and dominance of new media in the digital age in addition to the traditional forms of communication (press, radio, and television), it is possible to spread information about the law, educate people, raise awareness of the importance of fostering a positive business culture, and encourage the sustainable growth of businesses, all of which will help to realize the goal of creating a prosperous and happy nation.

Business culture is crucial in ensuring that economic success is always made with humanity in mind and that people and the community always advance. This is how Vietnam's market economy is determinedly socialist in orientation. Business culture also helps to raise the standard and improve both the competitiveness of individual enterprises and the overall competitiveness of the economy. It is crucial and important to create a business culture in our nation's economy. The suggested options are merely limited, but if they are properly executed, we will undoubtedly overcome the shortcomings of the market economy by implementing cultural policies in our nation's economy.

Conclusion

A company's business culture can evolve rather spontaneously, but it is difficult to have a methodical, sophisticated business culture that serves as a foundation and a driving force for the growth of the company. All members of the organization's workforce, from executives to workers, must take part in that. The business culture must be modern, global, and inclusive in any circumstance. In businesses with various locations, sizes, management models, business lines, etc., the building and promotion of corporate culture will change. It should be evident how important business culture is to running and maintaining service businesses. When a company would like to confirm its existence and position in the market, that is a crucial prerequisite. This is definitely long-term work and it will not be completed in one day. Businesses should sincerely understand the significance of this "asset" in the current globalization and worldwide economic integration in order to develop and promote the appropriate strategy.

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