Solutions to Enhance Enterprise Resource Planning Application in Retail Enterprise, Vietnamese

Author’s Details:
(1) Thi Thanh Thuy Nguyen (2) Thi Kim Thanh Vu
(1)(2) University of Economics - Technology for Industries, Vietnam

Correspondence: Thi Thanh Thuy Nguyen, 456 Minh Khai, Hai Ba Trung, Ha Noi

Abstract:
The article has an overview of the development of retail businesses in Vietnam, analyzing the opportunities and challenges of retail businesses when applying enterprise resource planning. Finally, we offer solutions to improve the efficiency of resource management in retail businesses in Vietnam.

Keywords: Enterprise resource planning, retail, Vietnam

1. Introduction about retail businesses in Vietnam

The strategy of domestic trade development in the period to 2025, vision to 2035 is being consulted by the Ministry of Industry and Trade, forecasts of the average annual growth rate of total retail sales of goods and businesses. Revenue from consumer services from now to 2020 is estimated at about 13% / year, and from 2021-2025 to 14% / year. Determining Vietnam's retail market with great potential, recently, the Government has assigned the Ministry of Industry and Trade to lead and coordinate with relevant agencies to study and have solutions to encourage and support retail distribution enterprises. domestic development. Experts expect that this is an urgent solution to improve the competitiveness of Vietnamese retail businesses.

Vietnam's retail market is growing both in quality and size on a favorable basis: the population of over 90 million people, the average income is increasing and the stable development of the macro economy. Besides traditional and modern channels such as Satra or Hapro, the market has been receiving the likes of Vingroup, Mobile World and foreign businesses such as Lazada, or 7-eleven. and Auchan. In the future, the operations of domestic retailers are likely to be narrowed due to lack of experience, investment scale and human resources. If we compare Vietnamese and foreign businesses, we will see a lot of difference. The characteristics of foreign businesses are methodical, careful and strategic, long-term vision, while Vietnamese businesses have the advantage of being flexible and adaptable because they understand human habits and cultures. consumption. If you want to develop sustainably, Vietnamese businesses need to build longer, farther strategies and pay more attention to building a professional workforce to prepare for the "race" that needs this durability.

In order to build an appropriate business strategy, Vietnamese retail businesses need to assess the development trends of retail businesses, namely:

The expansion of new retail channels is based on the development of social, mobile, and local e-commerce. Types of online retail, telephone order and social networks are increasingly popular. These channels do not actually threaten traditional channels, but rather create greater opportunities for traditional stores, strengthen the strength and provide effective support for traditional channels. At the same time, customers 'shopping habits and behaviors are changing faster than businesses' understanding and resilience. With the emergence of more and more transactions via smartphones, shopping carts have changed, even brand imprints are also different. Previously, shoppers at supermarkets could also combine with entertainment, so far this habit has almost ended. Instead, customers tend to entertain at cinemas, cafes, or malls. Customers' shopping baskets have changed according to natural trends or new needs based on new products, income and general market trends. Retail businesses should proactively build a customer care team and a separate management system to synthesize, analyze and evaluate the independent information, thereby, market changes are recorded and promoted, push elements within the business to follow in order to serve its customers, not just seek to confront the competition directly.

The development of integrated multi-channel retail (Omni-channel) and shopping centers combine the cuisine, high-end supermarkets, fast fashion or price stores in the near future. Prices are promising, integrating modern operational management technologies and new marketing tools effectively. Models of specialized stores
and convenience stores such as Circle K, 7-ELEVEN, Guardian, or even Kidsplaza, Bibomart, Green Department, Green Electronics, have led the race to expand business models and networks. became more attractive but more drastic. Besides, the online businesses of both businesses and independent sellers, or even celebrities, create additional pressure. In addition, Vietnamese consumers will become increasingly familiar with the use of the Internet, electronic devices as well as the trend of credit card payment and the growth of the middle class will also be important factors to promote and change the retail market in Vietnam.

The growing importance of technology in the retail sector: this is reflected in the fact that technology has increasingly affirmed the decisive role of retail enterprises' competitiveness. The prominent element of technology in retail industry is the enterprise resource management system (ERP), which provides managers with more accurate forecasting numbers, better cost control, and sharing. Faster information between stores within the same system.

2. Trend of developing enterprise resource management application (ERP)

In the world, information systems in general and ERP systems in the retail industry in particular are developing according to the trend of smarter and more efficient new technologies. Which must mention the following four main trends:

2.1. Promote development on cloud computing platform in enterprise resource management

With the growing awareness of retail businesses about cloud computing, cloud ERP (Cloud ERP) systems are thriving. Retail businesses are increasingly interested in lowering their cost of ownership, reducing their reliance on IT departments and taking advantage of other benefits by using Cloud ERP. Taking advantage of this trend, vendors promote SaaS - Software-as-a-Service systems, software that runs on the Web that can be accessed remotely, including vendors such as Infor, SAP, Oracle, Epicor, Microsoft Dynamics, and others have provided cloud computing solutions to replace the old model. Therefore, when it comes to ERP systems in the retail industry today, the trend of cloud computing will continue to grow and expand. In the coming years, ERP vendors will continue to develop and position their products on the market by launching a cloud database or SaaS.

2.2. Enhancing development on the mobile platform in administration and supply of products

In recent years, due to the tendency to bring personal devices to work, most major ERP vendors have improved their products with integrated access from mobile phones, tablets, smartphones. The main reason for this trend is that the regulators in the retail industry are always eager to get quick feedback to change the operating conditions of the business. This trend of mobile connectivity is growing, allowing users to respond anywhere and on any level. The integration of data, access to business reports by mobile phones, improvement of access interface on mobile devices will be provided by system suppliers.

2.3. Trend of social networking integration in ERP systems

Collaborative e-commerce and integrated social networking ERP systems are growing rapidly. Key vendors such as Infor, SAP, and Oracle are starting to integrate social networking into their ERP systems, through enhanced experience - look and feel to make it easier to use. In 2013, Infor officially provided the concept of social networking. Infor ERP LN products combine functions such as engagement, collaboration, and real-time communications and other functions into the ERP user interface.

By enhancing social networking collaboration, businesses can improve and perfect the decision-making process. Together with Infor and other systems, the entire business (including extended supply chains) can communicate, collaborate and monitor people, work and other processes. This level of collaboration through lifting 2.4. Enterprise resource management (ERP) applications are combined with Blockchain technology

Blockchain technology - Blockchain is one of the prominent technologies in the 4.0 industrial revolution, besides artificial intelligence, robot and augmented reality. Blockchain technology is one of the important technologies for ERP software developers that technology can appear in almost every business aspect of enterprise resource management. The advantages of security, information sharing, anti-fraud and storage of transaction information on the Blockchain allow this technology to be applied to enhance the ability of information linking, integrating business processes between units in the retail chain. Transactions on applications of SAP, Oracle, IBM such as ERP, CRM, SCM can be recorded on Blockchain to promote the
advantages of this technology. Big technology companies in the world are not out of step before the development of Blockchain. In the face of the uncertainty of data between organizations when each organization maintains its own database, ERP solutions combined with Blockchain technology will allow the establishment of Objective trust mechanism for sharing data between all organizations in an enterprise network. These systems will be built with the goal of providing a network that connects retailers, suppliers, customers, banks, logistics services and other trading partners, to participate in business processes. ERP; Digitized business processes, including transactions on goods, services and assets throughout the retail chain. Transactions on ERP systems recorded through Blockchain are guaranteed to be safe, reliable, non-destructive and completely transparent between organizations.

In the near future, vendors of ERP solutions will no longer just focus on developing pure business features on their products. When the 4.0 industrial revolution with advanced technologies such as the Internet of Things, artificial intelligence, intelligence, and mobile applications is gradually changing the economy and society, ERP systems cannot stand either. on the outside. ERP systems increasingly integrate new technologies, creating a revolution in technology platforms in this field. Blockchain applications will not be far away but have been developed and integrated in familiar ERP solutions such as SAP, Oracle, Microsoft, IBM. When applying this new technology, retail businesses no longer only operate with an isolated management system as before, but can integrate business processes effectively with suppliers and customers. and actively integrate with its vast retail chain.

3. Opportunities and challenges for Vietnamese retail businesses in the context of competition and innovation of growth model

From the comments on the development trend of retail businesses, the thesis assesses the opportunities and challenges for Vietnamese retail businesses in the context of competition and innovation of growth model as follows:

3.1. Opportunity

Firstly, the economy is growing with a large and young population, the process of urbanization is happening quickly, the income per capita increases, the large consumption demand brings great opportunities for development. and expand the retail market in Vietnam. Although foreign retailers have advantages from scale, strategy and long-term vision, Vietnamese retailers are considered to be flexible and adaptable because they understand consumer habits and culture. use.

Second: The young population with high technology access, the proportion of Internet users reaching more than 50% of the population, the proportion of mobile phone users reaching more than 38% of the population creates favorable conditions for the Vietnamese retail businesses approach customers through modern retail channels such as online retail, multi-channel retail, and service at the request of customers (Vecom, 2018). New models of e-commerce were born and developed, including mobile e-commerce, social e-commerce, and local e-commerce.

Thirdly, the Government and State have issued policies, action plans, and timely instructions to accelerate the restructuring of enterprises, encourage the expansion of the domestic market, complete the distribution channel, promote the position of domestic enterprises in the retail market.

In Vietnam, 2018 with encouraging signs of the economy along with Vietnam's participation in many international playgrounds is an advantage for domestic retailers to make big breakthroughs. However, competition is also becoming more and more intense requiring businesses to have the right direction. ERP systems are considered as one of the keys to making a revolutionary change in management capacity. Recognizing the right development trend of solutions and technologies helps administrators make the right choice when investing in building an ERP system.

Another reason why ERP has become an indispensable trend in promoting e-commerce applications in the current retail sector, especially in the context of competition and innovation of growth model in Vietnam, is that The need to choose the optimal solution in corporate restructuring. In many cases, companies are dissatisfied with the old way of doing business systems according to their specific functions, in which parts and applications do not integrate with each other, and therefore the data is not Share to support decision making and planning.
needs. Because applications often do not integrate with each other, it is difficult and time-consuming to collect data, present a coherent picture of the company's situation, and assist with planning and making recommendations. This situation is not new, but until recently, the development of packaging solutions for the company was not easy, even if the company had the resources of information systems, it took many years. newly built. From previous restructuring efforts, many companies know that their internal business processes need to be changed, and they believe that the best and easiest way to fix them is by applying rules. building process into a commercially available ERP system. As such, deploying an ERP system is one way to force the business process of restructuring to take place quickly.

3.2. Difficulties and challenges

(i) Difficulties: The difficulties that make the implementation of ERP system in Vietnamese retail businesses are limited are:

- Low technology infrastructure: ERP application requires retail businesses to conduct synchronous innovation in IT systems of the whole enterprise, technological innovations and computer network system for the whole system. However, the level of IT application in retail businesses, especially small and medium retail businesses, is very limited in terms of hardware infrastructure, telecommunications network infrastructure, and management software systems.

- Non-standardized business processes: ERP systems are run by businesses that follow international standards. However, the application and maintenance of business activities according to new standards is difficult for many retail businesses in Vietnam. Moreover, many businesses have not applied ISO in management, so the implementation of ERP is more difficult. In addition, differences in accounting systems make it difficult to implement ERP. ERP products always include an important accounting module, the general accounting module that receives lots of data from other modules in the ERP software and places automated accounting.

- Limited investment in information systems: ERP is a large and expensive system. Retail businesses need to consider the cost savings compared to the costs when implementing ERP. In addition to the cost of consulting and deploying software, businesses also have to pay a relatively large royalty to foreign ERP manufacturers, so the total cost of the business for the ERP product deployment project is very high.

- Leadership commitment and staff willingness to participate in many retail businesses is still low: To be able to deploy enterprise ERP, there must be consensus from the top management to Staff. To prepare this well, the management needs to explain the effectiveness of ERP and need to understand and pay attention to the difficulties of employees when implementing ERP. The high determination of officials and public employees is the factor leading to very high success in implementing ERP. When approaching businesses that have failed to implement ERP, most businesses admit that they encounter many human problems.

(ii) Challenges: In the context of competition and innovation of growth model in Vietnam analyzed above, it can be seen that the major challenges facing retail businesses in Vietnam are:

Firstly, the competitive pressure from global retail corporations is increasing, making domestic retailers increasingly "inferior". Mergers and acquisitions are inevitable trends and are putting great pressure on Vietnamese retail businesses. Foreign retailers with large capital, methodical business processes, long-term strategy are willing to invest heavily in distribution channels, which overwhelm the market. The rise of large retailers and the global expansion of retailers: in recent years, the market of Vietnam has formed super-large and simultaneously engaged retailers. of many big retailers of Europe, America, Japan and Thailand. Relying on good information systems and purchasing power, these giant retail businesses are able to respond to more choices, better customer service, and the consequences of crowding out small businesses.

Second: traditional retail business models are gradually being replaced by modern retail business models, combining traditional commerce and e-commerce, requiring retail businesses to quickly adapt and innovate business models and customer access strategies.

Third: Vietnamese retail businesses are still limited in associating with participants such as suppliers, service providers, and customers. Traditional retail channels are inexperienced and unprofessional in managing
the retail chain, displaying goods, uncompetitive prices, products are not diverse, the ability to control quality is low, so it has not met the needs of the customer.

4. Solutions to enhance the application of enterprise resource management ERP in retail businesses in Vietnam

4.1. Develop an information technology application strategy in your business and invest appropriately in your ERP application

In order to survive in the context of competition and innovation of growth model, Vietnamese retail businesses need to clearly identify the application of enterprise resource management ERP. For enterprises that have not applied enterprise resource management (ERP), it is necessary to develop an IT application strategy that clearly identifies the application of enterprise resource management (ERP) as a top priority. ERP application is a major change process for retail businesses that need to stem from business issues. Enterprise resource management (ERP) is not a mere IT system and includes many internal business values. Therefore, the strategy of applying IT in retail enterprises needs to clearly define this characteristic, enterprises need to prepare human and financial resources more than technology resources.

For retail businesses with a conglomerate or multi-industry corporation model, the overall enterprise resource management (ERP) system needs two layers to serve two levels of governance: corporate governance layer and specific management of member units. The corporate governance layer includes business processes across the enterprise or support corporate governance at the corporate level, such as financial management, human resource management, and general reporting systems. The management layer at the member units includes professional processes suitable for each specific business industry such as sales, production, project management, customer management ... Therefore in the IT application strategy, retail businesses also need to clarify the size, scope, and implementation plan for each specific phase of the ERP project.

In order for Vietnamese retail businesses to not be left behind, domestic retailers need to change their retail industry to continue growing and ensure competitiveness. Want to change, it is necessary to have a specific strategy, promote growth through innovation and if businesses are slow in this field, they will be eliminated from the market soon. Retail businesses need to increase technology adoption for retail distribution because consumers are increasingly inclined to give priority to online shopping. Due to proficient use of technology, consumers tend to place orders online or use mobile applications to search for good price orders, discounts, promotions. At the same time, it is necessary to invest in a strong logistics system with abundant and quality goods. Besides, promoting trust in business, because with the form of online trading, reputation is the most important thing to help keep customers.

The market is changing rapidly, but there are businesses that are responsive, proactive, and even create new shopping trends. Therefore, more creativity and innovation are needed in the enterprise's IT application strategy, which needs to focus on improving the customer experience (both traditional and online channels); strengthen connectivity, sharing, and integration on information systems; Prepare the ability to quickly and synchronize information systems within the enterprise; Willingness to meet the needs of future changes. Implementing ERP requires collaboration across the enterprise and collaboration between many people in different positions in the enterprise. The enterprise must clearly determine whether the application of enterprise resource management ERP will not only occur in the IT department or accounting department, but also the task of the entire enterprise. Senior managers need to pay the utmost attention and support to the ERP project, ensuring sufficient budget and manpower for the successful project, always in a position ready to make quick decisions. The success of an ERP project is not only the task of the project team alone, but the top management must ensure the project's goals are aligned with the company's strategic goals and take actions that reflect the Interested and responsible with the project. Executives must organize personnel to participate in the ERP project, gather information, evaluate regularly and identify success or failure. At the same time, the team must be motivated, supported to solve problems and keep the ERP project team active.

Vietnamese retailers have many "traditional" advantages such as: understanding of consumers, strong distribution system and human resources. However, their path of growth and development will not be the same as in the past. The market is changing a lot, forcing businesses to pay attention, adapt and implement
appropriate strategies. Robot applications or artificial intelligence (AI) are increasingly popular, however, from a retail business perspective, these factors are not as imperative as being aware of the necessary transformations within the enterprise itself. The IT application strategy of the retail business in the coming period should focus on strengthening effective communication with not only customers (B2C) but also between retailers and suppliers (B2B or B2B2C). Efficient data mining, which needs to be specific in the direction of instant data, becomes the information needed to make business decisions, retail sales data needs to become market data that supplier needs; Focus on building enterprise resource management (ERP) with high connectivity, safety and security.

Above all, for a successful enterprise ERP implementation, retailers need to have an information technology vision and strategy strong enough to adapt to a rapidly changing world. After successful application of enterprise resource management (ERP), retail businesses can approach towards expanding the field of consulting and implementing ERP for other retail businesses. Lessons from Amazon can be applied to some large retail businesses in Vietnam, with strengths in technology and IT human resources.

Finally, in order to develop and implement an information technology application strategy in the enterprise with a priority for ERP application, a strong commitment of the business leadership is required, and the enterprise must have financial preparation, personnel, technology and thinking. Especially the mindset that accepts change, accepts the right investment to bring the desired effect, accepting not only one-time investment but also annual investment in maintenance, maintenance and improvement. ERP system level. To achieve success in ERP application, retail businesses need to ensure the leadership of top management, the highest level of leadership is the foundation to ensure the success of the system. Thus, new retail businesses can overcome the challenges in the ERP implementation process. Successful enterprise resource management (ERP) application should be the number one goal that chain retailers need to achieve when they want to survive and compete in the context of innovation in the growth model and industrial revolution 4.0. Associated with innovation, creativity and technology.

4.2. Train human resources to deploy, operate and manage ERP systems

In applying ERP, human resources play a very important role in the success of the project. Here, retail businesses need to focus on training and developing human resources for ERP projects in two main groups: business and technical groups.

+ The professional group includes users who are daily working officers, belonging to functional departments such as accounting - finance, planning, material supply, sales and production. This group will attend the implementation of the ERP system as the end users when operating the system. The main tasks can be shown as: making business requirements, building a business process with the implementing unit, checking the correctness and operating, operating the system.

+ The technical group is composed of staff members in charge of information technology. This group will participate in the implementation of the ERP system with support functions for business groups and technical deployment units such as server systems, network infrastructure, system installation, perform specialized work on system administration (backup, backup, decentralization ...).

The choice of outsourcing to operate the system after acceptance is one of the popular trends in the world. This outsourcing includes operational personnel. However, in Vietnam, this form is not really popular. The retailer can conduct outsourcing: server, system administration and maintenance services to support the technical team. And the business group still performs operations on the system as usual. The lack of IT human resources greatly affects the reception of system administration (decentralization, decentralization ...) as well as system maintenance (security, backup, recovery ...) or common problems in corporate information network management. The solution for the retail businesses is to clearly assign work to the IT team / department, organize training and how to transfer the technical part of the ERP system between the implementation consultant and this department, ensure system administrators need appropriate qualifications and skills to operate, maintain and upgrade later.

Retail businesses need to equip their ERP implementation team with knowledge. First, the members of the ERP project team must understand the company's business plans and strategies. Many decisions in the
implementation process will affect the long-term operation of the company. Specifically, the ERP project team must know when and how the company will restructure the business because that decision will affect the structure of the financial module and investment management in most ERP software. Second, project team members must have sufficient knowledge in their area of responsibility and moreover, they need to have an understanding throughout the retail business's business units. Without this knowledge, the decision in the implementation process can be conflict and cause the ERP project to be delayed. Knowledge sharing of many different functions is a must before choosing ERP software because all ERP solutions are tightly integrated, a small change in this module can harm the function of other modules. Third, those who manage and operate ERP systems must attend a training program and be ready to acquire a huge amount of knowledge. Businesses often underestimate the amount of information that ERP software brings and therefore are not prepared to absorb all the new and cool things about ERP software.

4.3. Change business processes towards modernization and meet international standards

If the retail business were to follow international standards, applying ERP would be as simple as buying a piece of software. It means that you only need to invest in a computer system, an Internet connection, buy a license, send employees to school and then turn on the computer to run smoothly. But most of the retail businesses in Vietnam have not applied the standard process thoroughly. And to apply standard processes, sometimes not only have to change the old way but also to adjust the company structure. This is extremely difficult, requiring great determination of business leaders.

According to the consultants, the most effort and effort is in changing the business process in accordance with the ERP system. If you assess the level of strength, this work accounts for 60% of the overall ERP solution (Nguyen Tan Ky, 2005). This task requires administrators to capture and re-evaluate all activities of their department, thereby assessing the level and efficiency of the work individually and individually.

In addition, retail businesses need to renovate their business processes and management processes in a standard and modern way: The current organization of personnel in departments and divisions of all businesses is the way of organizing personnel. the group that the business thinks is the best to be able to easily operate and manage, serving the goal of fulfilling the production and business tasks of the business. The organization by department, this department is also very different for each business, even for businesses operating in the same industry. The concept of "process" in the operation of the enterprise is understood as follows: if the organizational structure of the department is shown vertically, the steps of the process are organized horizontally. An enterprise business process consists of many steps, each of which performs a certain function, each step has an information system or input data and results in an information system or output data. The input of this step is the output of the previous step: The output of this step is also the input of the next step ... It is easy to recognize that a business process, especially the main processes that may involve multiple rooms, department of the business, that is, in order for the operating process to reach the final steps, it is necessary to involve personnel from many departments. Discrete management software often serves the operation of a specific department (such as sales department, accounting department, human resources department ...) and as an "oasis" for the software of Other departments. The transfer of information from department to department is done manually (transferring documents, copying files ...) with low productivity and no control. ERP modules also cater to departments and divisions, but more than that, it deals with the relationships between departments and departments when simulating the staffing process according to the process. Information is automatically circulated between steps of the process and is strictly controlled. Reports on ERP software can get information from many process steps and even from various processes. This approach creates labor productivity and information management efficiency for businesses.

When building a quality management system according to ISO, businesses will see most clearly about the processes. For each business, the processes are categorized into major business and ancillary processes. The production and business processes are the first object modeled on the ERP system. It should be said that many Vietnamese enterprises, despite having been operating for many years, still do not have documents on their operating procedures and these documents were built only with the help of Consulting company to build ISO quality management system.
In addition, the modern retail market share in Vietnam accounts for only half of the total retail sales, so developing the retail market in rural areas is a right direction for retail businesses. If domestic retailers do not take advantage of the market, they will soon be exploited by foreign retailers. Therefore, Vietnamese retail businesses need to separate diversified retail channels to have appropriate management methods for each market and better serve consumers. And as the market expands, businesses must pay more attention to the application of ERP to enhance the management of resources when business locations are scattered and remote areas.

In the past, new competitors would often study and learn from existing businesses. However, that did not happen often. New retailers entering the market with new business models, services and experiences have startled domestic businesses and innovated their research. Newcomers even understand their customers better than existing retailers because they have international experience, have been observing the market long enough and have prepared a suitable business model and plan to participate. Therefore, retail businesses need to improve their capacity and professionalize resources.

Retail businesses should make a number of improvements in the governance model, such as centralized management: important and troublesome tasks and operations are focused on solving according to a unified focal point; Simplify the workflow so that employees focus on serving customers and sales instead of having to deal with a lot of work behind; Apply online processes: retailers should remember their own employees as modern as customers. Therefore, employees will feel more interested and effective when applying modern work processes.

Deploying ERP is an arduous journey for the entire retail business. It is certainly very complex and difficult, with impact at the enterprise level. However, the level of benefits and risks is often commensurate with each other. The only way for a successful project is to be well prepared, ready to change and accept change. ERP implementation is not a passive evolutionary process, it is a management revolution in the retail business.

4.4. Standardize ERP application process

Some solutions to help control ERP projects for retail businesses:

1. Ensure the team participates in deployment from all units. Not just the IT team, must be involved in supplier evaluation and planning. This will help the project management board identify all the real benefits (for each business department of the business) and the potential cost of applying the ERP.

2. Solution vendors should not be shortened. Many businesses want to speed up the ERP implementation process without spending time specifying their business management requirements, evaluating different solution providers, and planning a successful project work. Businesses should spend at least 3 to 4 months in the selection and planning process. Large businesses with more than 1,000 employees, or annual sales of more than 500 million, should spend more time on these steps.

3. Establish a project steering committee. The project steering committee should be closely involved in the implementation process rather than just senior management issues. The Steering Committee should identify and control performance indicators throughout the project implementation and after the system goes live (go-live).

4. Project planning and practical implementation planning framework. Businesses usually cannot determine specific costs until a plan is implemented, but many businesses try to predict before drafting a plan, which is the main reason for the budget or put on.

5. Determining the time of reasonable deployment. Many businesses often rely on visualization, but this is not entirely the case. There are businesses that are still doing business with manual processes and up-to-date technologies, which are not entirely suitable for ERP implementation right away. Because there can be more cost effective and cost effective solutions than ERP, such as rearranging business processes, or optimizing existing technology systems.

The application of ERP needs to go from low to high according to a well-thought-out plan, to avoid running too fast while the legs are still weak. The main problem is that members from employees to leaders in the business need time to get used to the ERP and the changes in the way of working that go along with the implementation of ERP. Enterprises can deploy ERP in several stages, with the following main stages:
Stage 1. Deploying modules related to financial accounting. These modules generally provide the functions of an accounting software that many businesses use today. So phase 1 will be relatively easy.

Phase 2. Deploying logistics-related modules such as warehouse management, delivery management ... These modules will immediately integrate into the accounting modules. After this period, ERP has managed nearly every department in the enterprise.

Phase 3. For retail businesses, this phase will deploy modules related to sales management. Depending on the ERP system, the sales management can be very detailed to each point of sale, store, and access of salespeople.

Phase 1 and 2 can generally be implemented in many businesses. Phase 3 requires the sales process of the business to be relatively organized and modern. Perhaps businesses only choose to apply ERP to phase 2 if they find that their store management is too many substandard elements.

4.5. Choose the right ERP software technology for your business conditions and continually upgrade to new trends

Some solutions to help retail businesses choose the right ERP solution:

- Correct approach: The first step in choosing a solution is to understand the needs and capabilities of the solution, then to sum up the needs, invite bids, choose suppliers, test run methods to find understand the solution. Everyone involved in or benefiting from the ERP needs to be aware of their benefits in decision making and the people involved in the decision.

- Focus on testing to find out the solution: The supplier needs to set up the test system. This takes a lot of time and effort but is essential for the user to understand and make specific requirements for the system.

- Objective decision process: Choosing an ERP solution is a complex decision, it will lead to economic consequences, and many other consequences. There should be a system of criteria for evaluating and selecting the system.

- Ensuring the full participation of relevant units: ERP requires the participation from the highest level to the unit and operational departments. All project members need to be involved from the start of the project, decision making, aggregate needs, review test run for solution introduction, vendor selection, implementation, training and operation. system.

When the ERP project comes into operation, businesses need to evaluate performance and improve business performance. Because ERP is a large program with the participation of many people, investing a lot of money and a long implementation time, the accurate evaluation of the ERP project helps businesses find the areas that need improvement and increase investment. At the same time, the enterprise can improve its ERP application efficiency. In parallel, businesses need to analyze and evaluate the use of new technologies in management such as cloud computing, artificial intelligence, Internet of Things, and blockchain technology. Now, with the advantages of using resources effectively, reducing initial investment costs, users are less dependent on infrastructure ... so cloud computing technology has become era trends. Many ERP solution providers in the world have started applying cloud computing technology to their ERP solutions, providing customers as a service. Typical suppliers using this technology are SAP and Oracle. In addition, businesses also need to update the advances of new technologies such as Blockchain to have short-cut, proactive, and ready-to-change plans to optimize the general ERP application and enhance application. IT use in particular, especially in the context of competition and innovation of growth model.

In short, ERP is now considered as a tool to help businesses improve their competitiveness in the market, helping retail businesses better access new management practices according to international standards. For small and medium retail businesses, the ERP implementation becomes easier and more convenient, they will soon go into proper operation. Any retailer who is still hesitant in implementing ERP is also creating difficulties for themselves and creating opportunities for competitors. However, Vietnamese retail businesses need to clearly identify the application of ERP in their businesses, which is not a simple task that requires convergence from many different conditions to be successful such as: preparing good human resources, resources, such as funding, positive awareness from the management, defining clear goals, choosing solutions appropriate to the specific characteristics of the business. At the same time, every retail business itself needs to cultivate its own
knowledge of ERP and the implementation of an ERP project so that it truly benefits the business rather than just relying on supplier.

References


