

POSSIBILITIES OF APPLICATION OF PROCESS INNOVATIONS IN THE CUSTOMS SYSTEM

Sanja Dalton*¹, Biljana Stošić², Radul Milutinović²

¹EU-CAFAO

²University of Belgrade – Faculty of Organizational Sciences

*Corresponding author, e-mail: sanjadalton78@gmail.com

OBJECTIVE

Globalization, regional integration and, above all, the era of digitalization impose the need for Customs, as an entity of the state administration, to implement process innovations in terms of integration, automation and digitalization. In the case of the Republic of Serbia, which is surrounded by EU member states and/or candidate countries for EU accession, it is necessary to harmonize business operations in line with EU best practices, considering the process healing before its digitalization.

The subject of the research in this paper is a possibility of improving the customs system by applying process innovations.

The aim of the research is: 1. Research and systematization of the application of innovations in the customs system; 2. Identification and analysis of key segments of the process in the customs system, where it is necessary to implement process innovations in order to improve business performance; and 3. Development of process innovations management guidelines as a proposed solution to identified problems in the existing customs system.

The task of the research, given the set goals, is to analyze the possibilities of improving the customs system by applying process innovations. Due to the complexity of the processes in the customs system, there have been no studies that have explored this area from the aspect of building a methodology for process redesign in the customs system, in that respect, the matter presented in the paper has special value, which can be considered a novelty.

METHODOLOGY

The research method primarily consists of systematization of available literature in the field of process innovations in the customs system, as well as the survey and statistical processing of collected data in SPSS program (T-test).

Based on the identified problems and bottlenecks in some previous studies of the automated transit procedure, a proposed solution in the form of guidelines for process innovations is developed and tested through a case study of Serbian customs administration.

Therefore, the empirical research was conducted through a survey with the customs officers representing internal users of the customs system (41 respondents) and the method of interview with forwarding agents (42 respondents) representing external users of the customs system. The respondents compared the existing computerized system with the system after application of the proposed guidelines for process innovation using the Likert scale in evaluation of predefined criteria related to performance in customs transit procedure.

RESULTS

According to data collected through a survey and by method of interview with the respondents and processed in SPSS program (T-test), the perception of both internal and external users of the customs system is that the proposed guidelines have a significant impact on improvement of customs transit performance. The significant difference in perception reflects that applying process innovations can improve efficiency, effectiveness and savings in time of customs performance in transit procedure.

CONCLUSION

Considering that the users of the customs system evaluated the predefined criteria related to customs performance better after the application of proposed guidelines for process innovations, the results of empirical research confirm the hypothesis tested in the paper that it is possible to apply process innovations in order to improve the customs transit procedures.

The practical value of the research is primarily reflected in the developed guidelines or process innovations based on the case study of the Republic of Serbia, which can be applied in complex systems of bodies of state administration.

The limitation of the research is reflected in insufficient variables, taking in the account that the tested variables refer to only one of several customs procedures. Therefore, application of process innovations in other customs procedures may be reserved for future research.

Keywords: *process innovations, process innovation management, customs system, digitalization*

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