FACTORS AFFECTING COMPETITIVENESS OF VIETNAM BANK FOR AGRICULTURE AND RURAL DEVELOPMENT IN BA RIA - VUNG TAU PROVINCE

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Abstract. Enterprises'competitiveness determines the performance of businesses in general and banks in particular. Therefore, among internal and external factors impacting on businesses, internal factors play decisive roles. As the survey responded by 200 bank staffs of Vietnam Bank for Agriculture and Rural Development in Ba Ria- Vung Tau province (Agribank Ba Ria- Vung Tau) on October 2018 then analyzed via SPSS 20, there're 05 internal factors affecting its competitiveness: marketing capability, technologcial capability, brand, service quality and professional compentence. Accordingly, 5 implications are suggested based on the research results in order to increase the competitiveness of Agribank Ba Ria-Vung Tau.
Keywords. competitiveness, Agribank Ba Ria-Vung Tau, Cronbach'Alpha, EFA, Multivariate Regression, implications

1   INTRODUCTION

Located in the South East region of Vietnam, Ba Ria-Vung Tau is a famous tourist destination which annually welcomes hundreds of thousands of domestic and foreign tourists. Furthermore, Ba Ria-Vung Tau is also the headquarters of many large companies, including Vietsovpetro joint venture. Hence, the demand for opening account, withdrawing, transfering and exchanging money is quite enormous. Agribank Ba Ria-Vung Tau directly under Vietnam Bank for Agriculture and Rural Development is located at 21 Nguyen Huu Tho, Phuoc Trung Ward, Ba Ria City, Ba Ria - Vung Tau Province with 29 branches and transaction offices located in 7 out of 8 administrative units of the province, and more than 340 employees. Especially, Agribank Con Dao is under management of Agribank Ho Chi Minh City.

There are almost major domestic and international commercial banks in BRVT, which fiercely compete with others for market share. As Vietnam has entered into more and more Free Trade Agreements, the competition becomes more intensive. Thus, to be the winner in the market, our domestic commercial banks in general, Agribank Ba Ria-Vung Tau in particular should build a strong brand, improve service quality and professional competence, technology, financial capability, management capability and marketing capability to promote all power to improve competitiveness to increase business efficiency. Therefore, the research was conducted with the following objectives: examining summarily theories and models related to enterprises' competitiveness; designing research model and hypotheses on competitiveness; quantitative analyzing and testing the impact of factors affecting competitiveness of Agribank BRVT and recomending implications.

2   LITERATURE REVIEW

Competition is a complex socio-economic phenomenon and an indispensable rule of market economy. It also creates a driving force for economic development. Hence, companies, especially banks considered competition as inevitable situation that they must accept. As M. Porter [1], competition is gaining market share. The nature of competition is to seek for profit, which is a higher profit than the enterprise's current average profit. The consequence of the competition process is averaging out the profits of the industry in the direction of deep improvement, leading to the reduction in prices.

Therefore, competition is rivaling to create the advantages so as to achieve the highest benefits for businesses in the market economy. Thanks to competition, businesses strive more to perfect themselves to develop. Competitiveness level is reflected through the enterprises' competitiveness.

According to M.Porter [1], the enterprises' competitiveness is the ability to exploit and make use of their unique and special advantages to firmly gain the foothold against competitive pressures. As Nguyen Thanh Phong [2], "Competitiveness is the ability created by the bank on the basis of maintaining and developing inherent advantages, in order to consolidate and expand market share; increase profits and be able to resist and overcome adverse fluctuations of the business environment".

With the same conclusion, Nguyen Thi Quy [3] indicated that the competitiveness of a bank is the ability to create, maintain and develop its advantages to maintain and expand market share; achieve higher profitability than the average one of the industry, and continuously increase, while ensuring safe and healthy operation, being able to resist and overcome adverse fluctuations of the business environment".

Regarding to internal factors, Sanchez & Heene [4] determined that the enterprises' competitiveness is the ability to combine resources to create competitive advantages. There have been many research theories on the businesses' competitiveness which were adopted in this research, including Five Forces Model of M.Porter [1], VRIN-Barney competition theory [5] and Thompson-Strickland [6] method. Accordingly, M.Porter pintpointed 5 competitive pressures of enterprises. Meanwhile Barney helped in determining whether resources are a sustainable competitive advantage of the business or not. As Thompson-Strickland, from perspective of endogenous factors, 13 internal factors were indicated that affected competitiveness. However, since these are general and theoretical models, the model used for competitiveness of banks should be specific to make it appropriate to the characteristics of the industry in Vietnam.

Research model and hypotheses

A lot of researches were conducted on the enterprises's competitiveness, especially banks, named as studies of Nguyen Van Thuy [7], Huynh Thi Phi Duyen [8], Nguyen Thanh Phong [2], Nguyen Dinh Tho & Nguyen Thi Mai Trang [9], Nguyen Thi Quy [3] in Vietnam; and studies of John Tatom [10], Aboagye-Debrah [11], Thomspon-Strickland [6] worldwide. As refering above mentioned models and qualitative research result, the authors defined 7 independent scales affecting dependent factor, the competitiveness of Agribank Ba Ria-Vung Tau.

Brand: There is a strong relationship between brand and competitiveness. A strong brand will strengthen customers' belief in the safety, convenience, professionalism, reasonable price, etc., leading to the increase of amount of customers, market share, and competitiveness as well. This relationship was proved in the research of Thomspon-Strickland [6], Huỳnh Thị Phi Duyen [8], etc.

Service quality: Good service quality will create competitive advantages, improving enterprises' competitiveness. The bank service quality is reflected via the attitude and capability of serving, prromptness and empathy, service prices and modern facilities. Considering the relationship between competitiveness and service quality, it was identified in the study of Zeithaml & Leonard L.Berry [12].

Professional competence: As previous researches of Porter [1], Wu and Cavusgil [13], employees' professional competence is reflected in their qualifications, experience and ability to perform specialized operations. This factor has a strong impact on rganizations' competitiveness in general and commercial banks' one in particular.

Management capability: According to Michael E. Porter [1], management capability is the vital factor determining the existence, development and competitiveness of an enterprise. This factor is reflected in professional qualifications; management staff's capability of organizing, managing, planning adapting to changes of business environment. The relationship between management capability and enterprise's competitiveness was priviously identified in many researches named as Michael E. Porter [1], Nguyen Dinh Tho & Nguyen Thi Mai Trang [6].

Financial capability: Financial capability is considered as a measure of a bank's health determined by the following criteria: (1) Capital Adequacy; (2) Asset Quality; (3) Management competence; (4) Earning strength; (5) Liquidity risk. The financial capability factor has been proved to affect enterprises' competitiveness in field of banking in studies of Phan Ngoc Tan [14], Aboagye-Debrah [15].

Marketing capability: Marketing capabicity helps businesses implement marketing programs effectively, capture changes in customers' needs in order to provide more new and more suitable products and services. Hence, marketing capacity was proved to have a positive impact on businesses' competitiveness. The relationship between marketing capability and enterprises' competitiveness has been studied by Homburg et al., [16], Porter [1]; Nguyen Dinh Tho and Nguyen Thi Mai Trang [9].

Technological capability: Bank's products and services with application of modern technology such as: collecting payment for electricity via Internet/ Mobile Banking / POS, paying train tickets, air tickets through the online payment system or bank card, collecting tuition fees, hospital fees through electronic banking channels, transfering money through mobile banks, etc. at all times and everywhere, which increase the competitiveness of businesses in general and banks in particular. Thompson Strickland [6], Nguyen Thanh Phong [2], Huynh Thi Phi Duyen [8] had conducted researches to determine this issue.

As above definitions, the proposed research model are determined with 7 independent scales and 1 dependent scale as following
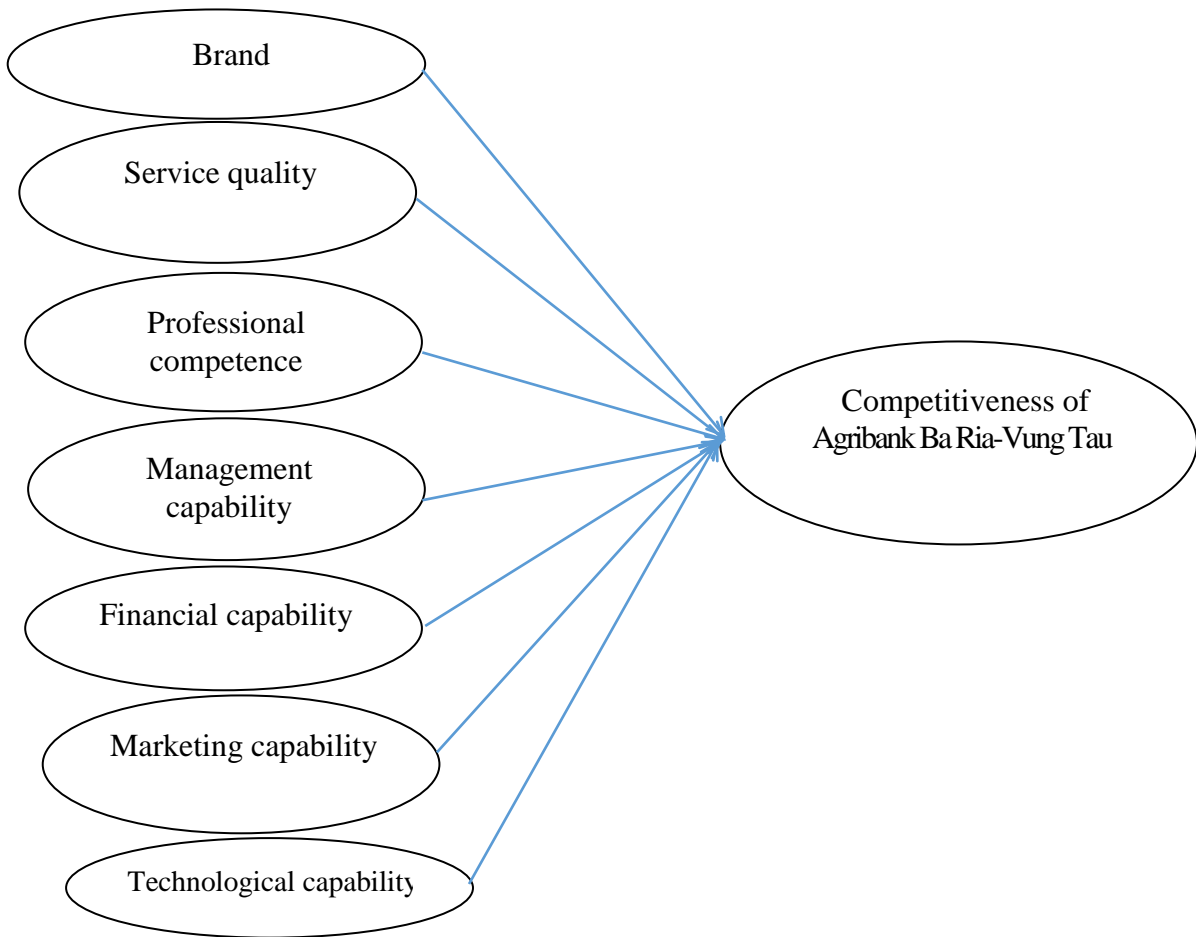

Figure 2.1: Proposed research model

Research's hypothese are as following:

Hypothesis H1: Brand has a positive effect on the competitiveness of Agribank Ba Ria-Vung Tau.

Hypothesis H2: Service quality has a positive effect on the competitiveness of Agribank Ba Ria-Vung Tau.

Hypothesis H3: Professional competence (of staff) has a positive effect on the competitiveness of Agribank Ba Ria-Vung Tau.

Hypothesis H4: Management capability has a positive effect on the competitiveness of Agribank Ba Ria-Vung Tau.

Hypothesis H5: Financial capability has a positive effect on the competitiveness of Agribank Ba Ria-Vung Tau.

Hypothesis H6: Marketing capability has a positive effect on the competitiveness of Agribank Ba Ria-Vung Tau.

Hypothesis H7: Technological capability has a positive effect on the competitiveness of Agribank Ba Ria-Vung Tau.

There're 38 variables of the measurement scale in the official proposed research model shown in the table below:

Table 2.1. Codes of scales and variables of research model

Code			Variables
BRAND (TH)	**1**	TH1	Agribank Ba Ria-Vung Tau is prestigious and reliable.
	2	TH2	Agribank Ba Ria-Vung Tau is trusted by customers.
	3	TH3	Agribank Ba Ria-Vung Tau is well-known.
	4	TH4	Agribank Ba Ria-Vung Tau highly satisfy its customers.
	5	TH5	Agribank Ba Ria-Vung Tau responds quickly to customers' changes.
SERVICE QUALITY (CLDV)	**6**	CLDV1	Agribank Ba Ria-Vung Tau staff's attitude is good and service-oriented.
	7	CLDV2	Agribank Ba Ria-Vung Tau's staff quickly process customers' requests.
	8	CLDV3	Agribank Ba Ria-Vung Tau's services timely meet the customers' needs.
	9	CLDV4	The procedure of Agribank Ba Ria-Vung Tau is simple.
	10	CLDV5	The price of banking services is highly competitive
PROFESS-IONAL COMPETE NCE (NLCM)	**11**	NLCM1	Staffs are professional and skillful.
	12	NLCM2	Staff's qualifications are appropriate with their positions.
	13	NLCM3	Staff are always trained to improve their skills and professional knowledge.
	14	NLCM4	Staff can speak to customers in English.
MANAGE-MENT CAPABIL-ITY (NLQT)	**15**	NLQT1	Agribank Ba Ria-Vung Tau's managenemt board performs highly efficiently.
	16	NLQT2	Agribank Ba Ria-Vung Tau has good business strategy and plans.
	17	NLQT3	Agribank Ba Ria-Vung Tau's human resources are well-organized.
	18	NLQT4	Agribank Ba Ria-Vung Tau mantains the balance of funds and budgets.
	19	NLQT5	Agribank Ba Ria-Vung Tau is able to analyze the market to propose good business strategy.
FIANCIAL CAPABIL-ITY (NLTC)	**20**	NLTC1	Agribank Ba Ria-Vung Tau has suitable financial structure.
	21	NLTC2	Agribank Ba Ria-Vung Tau is capable of raising funds.
	22	NLTC3	Agribank Ba Ria-Vung Tau has high liquidity.
	23	NLTC4	Agribank Ba Ria-Vung Tau can make profit from its capital.
	24	NLTC5	Agribank Ba Ria-Vung Tau's bad debt is low.
MARKETI-NG CAPABIL-ITY (NLM)	**25**	NLM1	Agribank Ba Ria-Vung Tau always communicates with customers to understand customers' needs.
	26	NLM2	Agribank Ba Ria-Vung Tau builds up good relationships with customers.
	27	NLM3	Agribank Ba Ria-Vung Tau usually applies market researches to collect data on customers' needs.
	28	NLM4	Agribank Ba Ria-Vung Tau organizes many attractive promotions.
	29	NLM5	Agribank Ba Ria-Vung Tau carries out many programs for community.
	30	NLM6	Agribank Ba Ria-Vung Tau establishes good relationships with local authorities

TECHNOL -OGICAL CAPABIL- ITY (NLCN)	**31**	NLCN1	Agribank Ba Ria-Vung Tau has good facillities and technology.
	32	NLCN2	Agribank Ba Ria-Vung Tau always updates and applies information technology advance in card services.
	33	NLCN3	Agribank Ba Ria-Vung Tau provides customers with many utilities in transferring Atransfer, Vnmart e-wallet, etc.
	34	NLCN4	Agribank Ba Ria-Vung Tau has always expands its business scale by establishing new transaction counters and ATM stations to serve its customers.
COMPETI TIVENESS (NLCT)	**35**	NLCT1	Agribank Ba Ria-Vung Tau's has strong competitiveness compared with its rivals.
	36	NLCT2	Agribank Ba Ria-Vung Tau will continue to develop in the long-term
	37	NLCT3	Agribank Ba Ria-Vung Tau achieves stable growth and sustainable market development.
	38	NLCT4	Agribank Ba Ria-Vung Tau has a good position and image in the market.

Source: synthesized from documents and experts' opinions

3   RESEARCH METHODOLOGY

Two research methods are applied in this study:

Qualitative research method

Direct discussion technique was adopted with 5 chiefs, deputy directors of branches and transaction offices of Agribank Ba Ria-Vung Tau based on a designed outline to explore, adjust and supplement measurement scale and variables.

Quantitative research method: Includes 2 stages:

(1) Pilot research: The data used in this study were collected from 50 staffs with convenient sampling method, then tested Cronbach's Alpha and EFA to preliminarily evaluate scales and variables. Besides, pilot research is applied to adjust words and content to make the questionnaire easy to understand by omitting misunderstanding or heterogeneity of understanding among participants. Cronbach's Alpha Test is applied for the purpose of removing inappropriate scales and variables. The inspection standards was determined (1) the scales are excluded from the research model if Cronbach's Alpha coefficient is less than 0.6; (2) The variables are removed from the scale if the Corrected Item-Total Correlation is less than 0.3.

(2) Official quantitative research: SPSS 20 was used to analyze the data collected from 200 bank staff to identify the factors really affecting competitiveness and their impact level as well. Thence, the implications were suggested to improve the competititveness of Agribank Ba Ria-Vung Tau.

Sample size and structure

As Hoang Trong & Chu Nguyen Mong Ngoc [17] recommended that the sample size could be minimum of 100 with the ratio of 5:1 (which means each variables of independent scale requires for 5 participants). Thus, with 34 variables of 7 independent scales, the minimum sample size is 170 (=34*5). However, to increase the accuracy and anticipation of invalid answers, the sample size was determined of 215 Agribank BRVT's staffs with the non-probability and convenience sampling method.

There're 200 valid answered questionnaires collected over 215 distributed ones, accounting for 93%. As gender structure, female accounted for 73%, and male of 27%. As age structure: those under 35 accounted for 62% and the left of 38% is accounted by those over 35. For working seniority, categories of under 1 year, from 1 to 3 years, and more than 3 years respectively accounted for 10%, 13% and 77%.

4   RESEARCH FINDINGS, DISCUSSION AND IMPLICATIONS

4.1 Testing Cronbach's Alpha of independent scale

Five independent scales are applied Cronbach's Alpha test for one time. Two left scales need to be tested Cronbach's Alpha for the second time. Details're as following:

For the first time, "Management capability-NLQT" scale received the Cronbach's Alpha= 0.778 which is greater than 0.6; however, the Corrected Item-Total Correlation of the variable "Agribank BRVT is able to analyze the market to propose good business strategy-*NLQT5*" received the value of 0.263 which is less than 0.3. Hence, this variable is removed from the scale. For the second time of testing, the management capability scale with its variables is accepted.

For the first time of testing, "Professional competence-NLCM" scale received the Cronbach's Alpha of 0.713 which is greater than 0.6; however, the Corrected Item-Total Correlation of the variable *"Staff can speak to customers in English.-NLCM4"* received the value of 0.169 which is less than 0.3. Hence, this variable is removed from the scale. For the second time of testing, the Professional competence scale with its variables is acepted. The last results of testing Cronbach's Alpha of 7 independent scales are as following:

Table 4.1: Results of Testing Cronbach's Alpha of independent scale

Scale	Variable	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Brand (TH) **Cronbach's Alpha =.877**	TH1	.604	.875
	TH2	.710	.851
	TH3	.744	.843
	TH4	.683	.857
	TH5	.804	.828
Service quality **(CLDV)** **Cronbach's Alpha = .895**	CLDV1	.713	.879
	CLDV2	.821	.855
	CLDV3	.776	.866
	CLDV4	.579	.910
	CLDV5	.845	.849
Professional competence **(NLCM)** **Cronbach's Alpha =.852**	NLCM1	.657	.855
	NLCM2	.802	.718
	NLCM3	.713	.802
Management capability **(NLQL)** **Cronbach's Alpha =.828**	NLQT1	.638	.791
	NLQT2	.737	.746
	NLQT3	.614	.804
	NLQT4	.637	.792
Financial capability **(NLTC)** **Cronbach's Alpha =.796**	NLTC1	.621	.743
	NLTC2	.674	.724
	NLTC3	.586	.754
	NLTC4	.357	.820
	NLTC5	.656	.731
Marketing capability **(NLM)** **Cronbach's Alpha =.944**	NLM1	.736	.945
	NLM2	.825	.935
	NLM3	.889	.927
	NLM4	.834	.934
	NLM5	.841	.933
	NLM6	.865	.930
Technological capability **(NLCN)** **Cronbach's Alpha =.877**	NLCN1	.663	.876
	NLCN2	.834	.803
	NLCN3	.750	.839
	NLCN4	.713	.851

Source: Authors' analysis

4.2 Testing Cronbach's Alpha of dependent scale

"Competitiveness-NLCT" dependent scale includes 4 variables, which is accepted in the first time of testing Cronbach's Alpha:

Table 4.2. Results of Testing Cronbach's Alpha of dependent scale

Scale	Variable	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Competitiveness (NLCT) **Cronbach's Alpha =.912**	NLCT1	.823	.878
	NLCT2	.786	.891
	NLCT3	.805	.884
	NLCT4	.790	.891

Source. Authors' analysis

In summary**,** after applying Cronbach's Alpha test, there are 32 (over 34) variables of 7 independent scales left (NLQT5 and NLCM 4 are removed); there is no adjustment of the dependent scales with 4 variables. 8 scales with 36 variables are qualified to be analyzed in the next stage.

4.3 Exploratory Factor Analysis (EFA)

The purpose of Exploratory Factor Analysis is to remove variables with factor loading of less than 0.5, and variables not belonging to any factor.

Exploratory Factor Analysis of independent scale: As the result of the first EFA analysis, the variable of "Agribank BRVT can make profits from its capital- NCL4" is eliminated as its factor loading shows the relation to other factors. The left variables loaded onto the subscale "Financial capability-NLTC". The EFA was conducted for the second time, and the results are as follows:

Table 4.3. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.793
Bartlett's Test of Sphericity	Approx. Chi-Square	4521.678
	df	465
	Sig.	.000

Source: Authors' analysis

- KMO = 0.793 which is greater than 0.5 indicates the suitability of EFA and practical data.
- Bartlett test result with sig = 0.000 which is less than 0.05 demonstrates that the variables are correlated as a whole.
- Eigenvalue= 1,219 >1 of the Principal Components method, 7 factors are extracted from 31 variables.
- Average Variance Extracted= 72,462% >50%, which demonstrates that 72,462% Variation of data could be explained by 07 factors as presented in two following tables:

Table 4.4. Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.262	26.651	26.651	8.262	26.651	26.651	4.799	15.479	15.479
2	3.782	12.201	38.852	3.782	12.201	38.852	3.605	11.631	27.110
3	2.748	8.865	47.718	2.748	8.865	47.718	3.473	11.202	38.312
4	2.644	8.529	56.246	2.644	8.529	56.246	3.024	9.754	48.066
5	2.268	7.317	63.563	2.268	7.317	63.563	2.696	8.696	56.762
6	1.539	4.966	68.529	1.539	4.966	68.529	2.566	8.278	65.040
7	1.219	3.933	72.462	1.219	3.933	72.462	2.301	7.422	72.462
8	.996	3.213	75.675						

Source: Authors'analysis

Table 4.5. Rotated Component Matrix[a]

	Component						
	1	2	3	4	5	6	7
NLM6	.877						
NLM3	.864						
NLM5	.847						
NLM4	.829						
NLM2	.821						
NLM1	.818						
CLDV5		.865					
CLDV3		.835					
CLDV2		.830					
CLDV1		.741					
CLDV4		.692					
TH5			.860				
TH2			.815				
TH3			.810				
TH4			.758				
TH1			.715				
NLCN2				.900			
NLCN3				.840			
NLCN4				.817			
NLCN1				.805			
NLQT2					.870		
NLQT1					.804		
NLQT3					.789		
NLQT4					.778		
NLTC1						.808	
NLTC5						.737	
NLTC2						.725	
NLTC3						.655	
NLCM2							.880
NLCM3							.827
NLCM1							.739

Source: Authors'analysis

Exploratory Factor Analysis of dependent scale: This analysis was conducted as the same way for independent scale. After one time of analysis, the result is shown as below:
- KMO is .839 which is greater than 0.5; Bartlett test received the sig of 0.000 which is less than 0.05.
- At Eigenvalue 3.171 >1 of the Principal Components method Principal Components, 1 factor is extracted from 4 variables.
- Average Variance Extracted= 79.278% >50%, which demonstrates that 79.278% variation of data could be explained by 1 factors.

In summary, after conducting Exploratory Factor Analysis, 7 independent scales with 32 variables are extracted into 7 factors with 31 variables. There's 1 variable rejected. 1 dependent scale is extracted from 4 variables. The adjusted research model is as following:
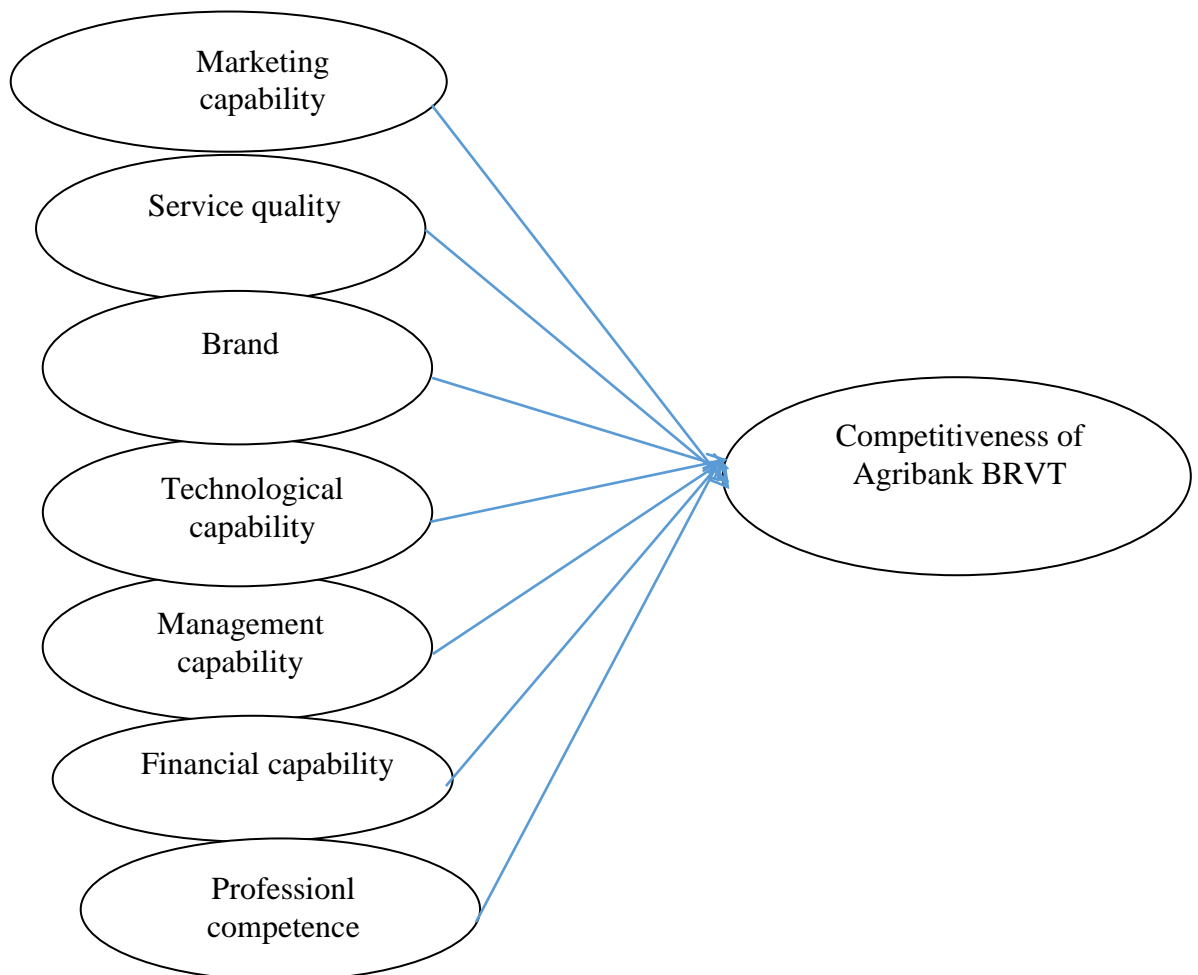

Figure 4.1. The adjusted research model

4.4 Multiple regression analysis

For the first time of testing, "Financial capability-NLTC" factor is rejected because of the Sig is.848 which is greater than .05; for the second time of testing, "Management capability-NLQT" is rejected because the Sig is .388 which is greater than .05. The left 5 factors were used to analyze for the third time. The result is as following:

Table 4.6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.717[a]	.515	.502	.4798531	.515	41.149	5	194	.000	2.275

As table 4.6, it shows the high apprropriacy of the model with R=.717, R^2 = .515 and Adjusted R^2 = .502, which demonstrates that 50.2% of competitiveness can be explained by 7 independent factors.

Table 4.7: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	47.375	5	9.475	41.149	.000[b]
	Residual	44.670	194	.230		
	Total	92.045	199			

Source. Author's analysis

As above table, F=41.149 and Sig = 0.000 <0.05, which demonstrate that the model is consistent with reality, and independent factors were proved to have a linear correlation with the dependent factor.

Table 4.8. Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	-.034	.264		-.130	.897	-.556	.487		
	NLM	.414	.052	.444	7.996	.000	.312	.516	.810	1.234
	CLDV	.148	.069	.133	2.155	.032	.013	.283	.660	1.515
	TH	.180	.058	.169	3.097	.002	.065	.294	.836	1.196
	NLCN	.210	.052	.219	4.069	.000	.108	.313	.864	1.158
	NLCM	.118	.058	.121	2.051	.042	.005	.232	.721	1.386

Source:Author's analysis

After multiple regression analysis, there are 2 factors rejected. The remaining 5 factors receive the Sig values of less than 0.05 and are positively correlated with the dependent factor "Competitiveness-NLCT". This indicates that there are 5 factors really affecting the competitiveness of Agribank Ba Ria-Vung Tau.

The regression equation with standardized coefficients is presented as below:

NLCT= 0,444*NLM + 0,219*NLCN + 0,169*TH + 0,133*CLDV + 0,121*NLCM

As the regression result, *Marketing capability-NLM* (β=0.444) has the strongest effect on competitiveness; *Technological capability-NLCN* (β=0.219) has the second strongest effect on competitiveness; *Brand-TH* (β=0.169) and *Service quality-CLDV* (β=0.133) were ranked respectively third and fourth position. The factor with least effect on competitiveness of Agribank Ba Ria- Vung Tau was *Professional competence* (β=0.121).

The impact level of each factor on the Competitiveness of Agribank Ba Ria-Vung Tau is as follows:

Table 4.9. The Absolute influence and Relative influence of independent factors on dependent factor

Factor	NLM	NLCN	TH	CLDV	NLCM	Total impact
Absolute influence	0.444	0.219	0.169	0.133	0.121	1.086
Relative influence (%)	40.88	20.17	15.56	12.25	11.14	100.00

Source: Author's analysis

4.5 Verified hypotheses

Regression results determine that 5 hypotheses of the research model are accepted.

Hypotheses	Results
H1	Accepted
H2	Accepted
H3	Accepted
H6	Accepted
H7	Accepted

4.6 Testing multicollinearity

As presented in Table 4.8, five independent factors received the VIF<10 (from 1.158 to 1.515), which indicates that there's no multicollinearity in the regression model.

4.7 Testing Durbin – Wastion

As shown in table 4.6, d value in Durbin-Wastion is 2.275, which satisfies the condition of 0 <2.275<3. Hence, it could be infered that there's no autocorrelation of residuals in the research model.

4.8 Implications

Improving marketing capability of Agribank Ba Ria-Vung Tau

Regular communication with customers is the best way to better understand customers' needs to be able to serve them better and make them more satisfied. Hence, the bank will not only retain its traditional customers, but also make them involve in word of mouth marketing and engage new customers. Establishing good relationships with all levels of local authorities, courts, People's Procuracy, auction centers, etc. is also essential for Agribank Ba Ria-Vung Tau. Thanks to these relationships, the bank will be supported by the local authorities as well as other organizations to help people quickly complete administrative procedures and necessary documents of borrowing money from Agribank Ba Ria- Vung Tau. To enhance Agribank Ba Ria-Vung Tau's marketing capability, community programs, attractive promotions, new and unique product launch should be carried out and introduced to engage more customers with the simultaneous combination of improving competence of marketing department. This should be considered as the duties and rights of each staff of every departments, not only bank's marketing department.

Improving technological capability of Agribank Ba Ria-Vung Tau

Technological capability is the second strongest factor affecting competitiveness of Agribank Ba Ria-Vung Tau. Hence, the bank should upgrade its technical system. A budget for applying modern information technology advances in service delivery system should be allocated to increase the security of transactions. This can be done through the upgradation of hardwares, softwares and the implemantation of an appropriate policy of human resources recruitment and treatment. Besides, the bank needs to provide many different utilities, making transaction process easier, such as: Atransfer, Vnmart e-wallet, etc. In addition, branches, transaction offices, and ATM stations need to be established in remote places. Agribank Ba Ria-Vung Tau should inspect and maintain equipment of stations more regularly, change or

upgrade the old ATM stations, ensure security and safety for customers when conducting transactions in these stations.

Developing brand of Agribank Ba Ria- Vung Tau

Agribank Vietnam is a strong and reputable brand among commercial banks in our country, which has made major contributions to the development of the economy. However, Agribank Vietnam has recently caused some scandals affecting the whole system. Therefore, in order to strengthen the brand in the locality, Agribank Ba Ria-Vung Tau should come up with solutions of brand development to increase the brand awareness, recall and to orient customers to find and use the service. Therefore, Agribank Ba Ria-Vung Tau should widely promote their image via mass media, create and enhance its position through the daily staff's interaction with customers to help them gain and adapt flexibly to customers' changes. Thence, it can gradually earn the trust, and reliability in the locals and visitors' minds. A healthy and professional workplace culture environment shoud be fostered. All staff should have the service minds with the slogan "Everything is for customers".

Improve services quality

Service quality was ranked as the fourth strong factor affecting the competitiveness of Agribank Ba Ria-Vung Tau. In order to enhance the services quality, bank staff should take a better attitude to customers with enthusiastic serving manner, and quickly implement customers' requirements to help customers create absolute trust in Agribank Ba Ria-Vung Tau. Otherwise, it will be difficult to raise deposits as well as perform other business activities. More seriously, customers will leave for another more trustworthy bank. The deposition procedure is simple, but not for the withdrawal due to the requirement of signing exactly the original signature signed for the previous deposits which discourages the elderly. As they get older and after a little time of signing, these reasons prevent this group of customers can't sign exactly their original signatures. Therefore, in addition to the signature, Agribank Ba Ria-Vung Tau needs to have other ways of checking to determine correctly the deposit's owner. Besides, transaction office should allocate staff to instruct to fill in the required forms. Simple banking procedures with more competitive services price will be a key to success of Agribank Ba Ria-Vung Tau.

Improve staff's professinal competence

This is the weakest factor affecting the competitiveness of Agribank Ba Ria-Vung Tau in which 2 variables "Staffs are professional and skillful- NLCM1" and "Staff's qualifications are appropriate with their positions-NLCM2" have the lowest average, respectively 2.96 and 3.04. Thence, Agribank Ba Ria-Vung Tau should improve its professional competence and working skills for the group of employees with appropriate training major through short-term training courses at the workplaces or colleagues inquiring of product features, banking operations, information technology, etc. For staff with inappropriate major, Agribank Ba Ria-Vung Tau should require them to self-retrain under the regulations of study time, skills and necessary qualifications. For new recruited staff, it is required a strict, scientific and public recruitment procedure, form of testing, content of the test. Agribank Ba Ria-Vung Tau should base on the job description of each positions to choose the appropriate subjects. For instance, for positions of tellers, the written test associated with communication skills would be the best choice. Agribank Ba Ria-Vung Tau should periodically organize some examinations and tests to evaluate staff's competence in each department of branches. The evaluation results should be informed to staff to encourge their strengths, and help them correct their shortcomings. These can be considerd as a basis to identify talented staff for promotion.

5   CONCLUSION

The research pinpointed model of 05 factors affecting competitiveness of Agribank Ba Ria- Vung Tau, and also determined the impact level of each factor. There are two limitations of this study. Firstly, as the research's data were collected through non-probability sampling technique and convenience method, the representativeness of the sample is not so high. Secondly, the enterprise's competitiveness based on both internal and external factors. They even sometimes resonated to determine the competitiveness of a business. This can be a shortcoming of this study to consider only internal factors of the bank. For the future research directions, sampling method of probability or ratio method of surveyed staff over totall staff of each branch or transaction office should be adopted with larger sample size. Both internal and external factors affecting competitiveness of Agribank BRVT should be considered in the next study.

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