

New contributions of the thesis

Topic: ASSESSING THE OPERATIONAL EFFICIENCY OF VIETNAM COMMERCIAL BANK BY DATA ENVELOPE ANALYSIS (DEA)

Major : Finance – Banking

Code : 9340201

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The thesis has made new contributions as follows:

Scientific significance:

The study has contributed more empirical evidence in Vietnam on a modern approach, combining both asset and operating cost approaches to assess technical efficiency in evaluating business performance of commercial banks. Vietnam in the period after the financial crisis of 2007-2008 and lasting until after the social distancing due to the Covid-19 pandemic occurred from early 2020 to 2021. Domestic studies often use the DEA or DEA method. SFA or both for comparison, but the approach is usually only based on assets, income or expenses, etc., but has not been able to assess the overall multi-dimensional impact on specific activities of commercial banks. Technical efficiency is assessed to provide more comprehensive results and clearly demonstrate the relevance in practice. Input/output variables on the basis of modern approaches have provided highly reliable technical efficiency estimates when the estimation results show a high degree of similarity with reality in the research period. .

In this study, the author also uses additional independent variables that reflect the direct influence on performance such as: Type of ownership, number of employees, level of income diversification and market share of employees. NHMs. The variables are grouped into groups of internal variables, industry environmental variables and macro variables, this method gives a more complete impact assessment than previous studies.

Practical significance:

Providing a practical basis on the impact of input/output factors on technical efficiency in evaluating business performance of commercial banks, helping managers to refer to and contribute to pointing out the effective/inefficient points to adjust/improve the key factors to increase business performance at the bank itself, and at the same time propose policy suggestions.

Research results have shown that the correlation is consistent with the actual business activities of commercial banks studied in the period 2009-2021. Most commercial banks have achieved quite high technical efficiency and tend to change for the better. The growing scale of operations comes with better technical efficiency. Commercial banks tend to change rapidly in technological progress and contribute to improving productivity, helping to improve business performance of commercial banks.

With the advantage of scale of business operations, state-owned commercial banks have shown that scale efficiency has positively contributed to business performance. The TFP composite factor productivity index has shown that commercial banks have improved year by year and improved productivity in business activities. The change brings business efficiency thanks to the large contribution of increased technical efficiency and technological advancement change. Banks continue to improve productivity through technological changes to optimize redundant operating costs.

During the research period, commercial banks had a decrease in efficiency due to excessive expansion, leading to uncontrolled increase in operating costs, especially massive network expansion. costs have increased but the efficiency has not increased correspondingly. Besides, the regression results have shown that state-owned commercial banks contribute to increasing business performance. In addition, the study also shows a negative correlation between economic growth rate and scale efficiency. Economic growth that is not accompanied by scale growth will lead to better business performance.