World Scientific News

An International Scientific Journal

Research and proposed solutions for improvement of the competitiveness of regions in Vietnam

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ABSTRACT

The Provincial Competitiveness Index is an indicator to evaluate and rank the governments of provinces and cities of Vietnam in terms of the quality of economic governance and building a favorable business environment. This is a measure of the level of local competitiveness in attracting and supporting development investment enterprises in a province. In recent years, localities have had many changes in policies and mechanisms, creating a strong attraction for investors, especially FDI. This plays an important role in promoting the development of local socio-economic sectors. The provincial government has been making great efforts to improve the business environment, creating favorable conditions for businesses and investors in the area. Therefore, many provinces and cities have risen to the top among localities in attracting investment, especially FDI. These successes have brought researchers, organizations at home and abroad to pay attention to the role of the provincial level, but more specifically the provincial competitiveness in Vietnam. Therefore, the study of provincial competitiveness index is not only aimed at promoting the development of the economy in general, but also contributes to exploiting the strengths of regional, sectoral and inter-regional relations. local in the development process.

Keywords: Competitiveness index, business model, investment attraction capacity, competitiveness, market access, economic growth

1. INTRODUCTION

Competitiveness is a concept understood in many different ways. According to Michael E. Porter, founder of the competitive theory, the competitiveness of a country is measured by the wealth shown by per capita income and quality of life. Prosperity is mainly due to labor productivity in the process of growth decision. Therefore, in the concept of M.Porter's competitiveness, productivity is the deciding factor of sustainable living standards. With this concept, improving national competitiveness also means contributing and improving the quality of growth and efficiency of the economy. According to the common understanding, provincial competitiveness is understood as the ability to set up appropriate economic management policies, the ability to operate to make good use of the local comparative advantages. available resources of the locality and overcome the local disadvantages, bridging the shortage of investment capital resources, and technology in development. Each locality will have policies and steps suitable to their specific conditions in attracting investment capital and building a developed private enterprise. Socio-economic growth according to the set goals is the province's competitiveness. Therefore, a province with high competitiveness shows the attractiveness of investment and business to businesses and investors or has created a favorable business environment, promoting economic development and social development. of that province. Improving the provincial competitiveness index is an indispensable objective for local governments to fill in the gaps in policy constraints, thereby improving the institution to create an investment environment. effectively, contributing to attracting input resources, especially

FDI capital to develop local industries and economic sectors.

PCI is an acronym for the English phrase "Provincial Competitiveness Index". It was first published as a pilot in 2005, comprising eight component indicators, each of which explains the differences in economic development among Vietnam's provinces and cities, according to which 47 provinces, cities of Vietnam are ranked and rated. For the second time, in 2006 two important areas of the business environment - Legal institutions and Labor training - were included in the development of the PCI.

In 2013, PCI marked a new change when the Competition Index was included in the index as a measure of evaluation, according to which a province was assessed to perform well on all 10 component indices. required:

1) Low market entry cost;
2) Businesses have easy access to land and have stable business premises;
3) Business environment is transparent and transparent, businesses have equal access to information necessary for business and necessary legal documents;
4) The time that enterprises have to spend to carry out administrative procedures and inspection and inspection is the most limited (Time cost).
5) Informal costs are minimal;
6) Fair competition - new component index;
7) Dynamic and pioneering provincial leaders;
8) Business support services, provided by the public and private sectors;
9) Having good labor training policies;
10) Legal and judicial system to resolve disputes fairly and effectively.

As one of the largest and most comprehensive sociological surveys in the country, PCI is used as an important tool to measure and evaluate the economic management and

administration of 63 provinces and cities in Vietnam. In 9 areas, which have a great influence on the development of the private economic sector, including market entry, land access, informal costs, provincial leadership's dynamism, transparency and training. labor creation and legal institutions.

PCI can be considered as a local competitive advantage in attracting investment and economic development. A province ranked high in the PCI does not necessarily have many advantages in terms of infrastructure, geographical location, natural conditions, but can completely rely on its own capacity and authority. To build a favorable business environment, bearing the color "PCI". That is: having time to complete the procedures for starting a business such as business registration, establishing a short-term business; easy access to land and business premises; administrative procedures are less troublesome and less time-consuming; business information is public and transparent; Informal costs are low; dynamic and creative provincial leaders and officials; quality business support services are always available; good labor quality, meeting the needs of the business; legal system creates trust for businesses when resolving disputes; and create an environment of fair competition.

For local governments: The PCI helps provincial governments to identify strengths in economic management as well as areas that need improvement to increase competitiveness, promote economic development and start. Sustainable investment. At the same time, providing useful information for provincial and city leaders, helping them identify the most effective areas and ways to reform economic management.

For investors: A reliable reference information channel on the investment location, investment environment for investors.

2. HOW TO BUILD PCI IN VIETNAM

The PCI encourages provincial governments to improve the quality of their management by standardizing scores around good economic management practices available in Vietnam without being based on rational economic management standards. It is thought that it is difficult to achieve, so for each criterion, it is possible to identify a "star" province or the top province of that criterion, and in theory any province can achieve the PCI score. Absolute score of 100 by applying available good practices. When developing a PCI, three basic steps need to be taken:

The first step is to collect data: The data is defined to consist of 2 groups. First group, data collected through surveys, surveys by questionnaires of thousands of private enterprises operating across the country. Participating businesses are randomly selected but still ensure relatively accurate representation of all businesses in the province on characteristics such as industry, activity, type and age of the business. The second group of data is taken from published sources of agencies such as General Statistics Office, Ministry of Planning and Investment, Ministry of Labor, Invalids and Social Affairs, etc.

The next step is to perform the calculation of nine component indexes: The criteria after collection will be standardized on a 10-point scale. The best value will receive a score of 10 and the lowest value will receive a score of 1. Just like that, the component index is calculated from the review of indicators.

The final step is to calculate the weight for the average PCI of the nine component indicators on a 100-point scale. In this step, the component index is assigned an additional

weight. There are three weighting levels: high (15-20%), medium (10%) and low (5%) showing the contribution and importance of each zone with the development of the number of enterprises and capital. investment and profit.

Therefore, when comparing and comparing executive practices with economic development results, the PCI helps to quantify the importance of good economic management practices for attracting investment and increasing chief. The study shows the correlation between good economic management practices and corporate judgment, and improvement of local welfare. This last link is particularly important because it shows that business-friendly policies and initiatives encourage them to work in ways that benefit both business owners, workers and the community through create more jobs and increase income for the whole economy.

3. THE IMPACT OF GLOBALIZATION AND THE EXPLOSION OF INFORMATION TECHNOLOGY ON THE ECONOMIC DEVELOPMENT INDEX

Vietnam is a country developing a market-oriented economy. This is an "open" and more open economy in the trend of international integration and globalization, contributing to liberating all production capacities and stimulating the development ability of all economic sectors. If we can exploit the positive factors of the market economy, we will develop production and business and promote economic growth. Along with the unified adjustment of the system of policies and laws, with the similarities of advantages and potentials, which localities have fully exploited the natural, socio-economic advantages and the strengths of the market economy and the locality will attract more investment, develop production and business and the economy will progress faster. On the other hand, socialist-oriented market economy inevitably has negative effects on aspects of socio-economic life. Each government official and the provincial government themselves are not outside the dual effects of the market mechanism, as it is the main cause of corruption, insensitivity and many other evils. The socio-economic development of the province.

New ways of processing and exchanging information can allow provincial governments to work better (increasing productivity, quality and management efficiency) at a lower cost, opening new channels of interaction. Between the government and citizens, enhancing the openness, transparency, raising the sense of responsibility, making the government apparatus closer to people and businesses. The application of information and communication technology creates many benefits for governments and investors, businesses, especially reducing risks as well as increasing business opportunities for businesses and investors and will certainly do. More satisfied investors and businesses. Therefore, provincial authorities need to exploit the significance of this factor. To improve the provincial competitiveness index and improve the ranking, each province needs to clearly identify the factors and the level of influence, from which effective, reasonable and timely impact measures. In order to have practical orientations and solutions to improve the competitiveness index of a province, in addition to clearly identifying theoretical issues related to provincial competition, it is necessary to study the experience of provinces representing for both In the three regions, the province has made a strong advancement in PCI rankings over the past years, the province has similar conditions and high rankings, so that it can have more practical lessons, from which there is an appropriate solution to improve the competitiveness national painting.

4. DESIGNING RESEARCH MODELS ON PROVINCIAL COMPETITIVENESS INDEX

There are two methods used in provincial competitiveness research: qualitative research and quantitative research. The qualitative research method is the method used in exploratory research design with the aim of gaining preliminary understanding within the research problem. The qualitative research method aims to identify outstanding and specific factors affecting the integration process to promote the development of the industry, and at the same time adjust the draft scale that is not realistic and appropriate. With the context of the study to form the final draft scale for quantitative research activities.

In qualitative research, common methods are used such as: theoretical background method, group discussion, observation, hand-to-hand discussion. Measurement observations of each scale are drafted based on the conclusions from theoretical and experimental studies. The results of this study are the basis for the author to adjust, supplement observations and finalize the final draft scale in accordance with the characteristics of the study area.

With the purpose of identifying the location advantage factors of the region; filter, supplement specific observations measuring each factor affecting integration to industrial development in the study area.

Quantitative research is a research method that focuses on the use of standardized question types and predefined answer options in the questionnaire. This research is often associated with surveys or experiments with a sample much larger than the qualitative research. The objective of this study is to provide specific data, so that decision makers can accurately predict the relationship between the factors to be studied and have a more comprehensive view of the research problem. In this topic, quantitative research is used for both preliminary and formal studies.

Quantitative preliminary research is based on the final draft scale with observations formed at the qualitative research stage, quantitative preliminary research is carried out to detect more errors in the questionnaire and steps. First test the reliability of the scale by Cronbach Alpha reliability coefficient and EFA analysis, thereby further correcting unsatisfactory observations, forming the official scale of the model.

Official quantitative research is based on the official scale formed at the preliminary research stage, official research activities to determine the impact of international economic integration affecting the intention to invest in development. Industry development, the importance of each factor as a basis for policy recommendations related to the factors to enhance industrial development. Therefore, the work done in formal research includes: questionnaire design, sample selection, data collection, data processing, data analysis, discussion of research results. The data analysis is performed through the following steps: evaluation of research samples, statistical analysis describing the scales, evaluation of reliability of scales by Cronbach Alpha reliability coefficient, EFA analysis, verification relevance of the model using SEM analysis method and bootstrap estimation method.

The proposed research model is based on Dunning's OLI framework, the factors affecting a province's FDI attraction are identified based on the approaches of location advantage theory. Draft scales are initially proposed based on a combination of observations drawn from previous theoretical and empirical studies.

After determining the method of research and model building, the scale must be built. On the basis of the initial draft scale, the research applied the expert interview method to

adjust, supplement and eliminate observations in the initial draft scale, creating the final draft scale. On that basis, the observations are included in the questionnaire to survey businesses in Thai Nguyen to correct the wording of the last observations. The data collected was used to preliminarily evaluate the scales by Cronbach Alpha reliability coefficient method and EFA method to form the official scale.
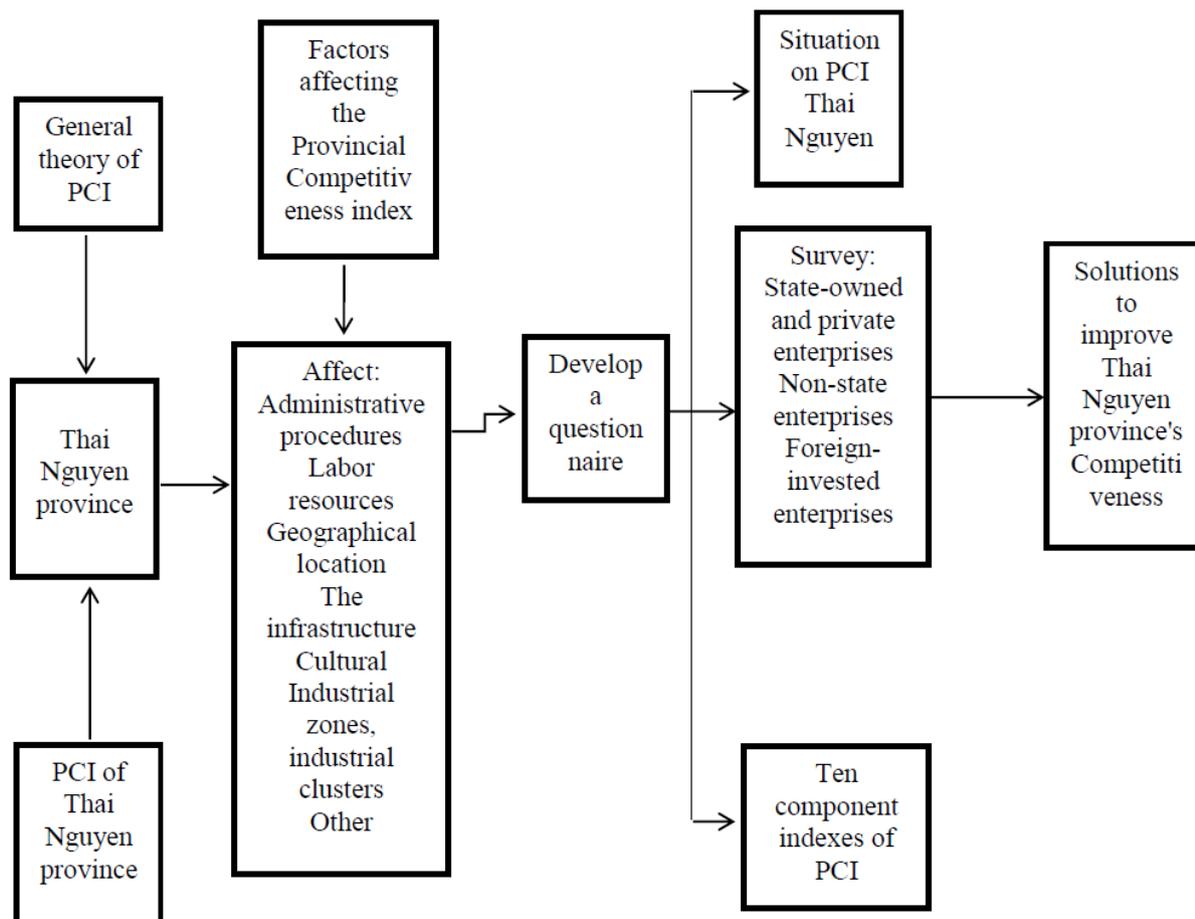

Figure 1. Research model of provincial PCI evaluation method.

Assess the reliability of the scale. The reliability of the scale is usually assessed by the internal consistency method through Cronbach's Alpha coefficient. The goal is to find out whether the observed variables measure the same for a concept to be measured. If you want to know which is more or less contributing then observe the coefficient of variables - total.

Use the Cronbach's Alpha reliability coefficient method before analyzing the EFA factor to eliminate unsuitable variables because these garbage variables can create dummy factors when analyzing EFA.

Conditions when running Cronbach's alpha:

- Cronbach's alpha coefficient > 0.6
- Variable correlation coefficient – total > 0.3

5. CONSTRUCTION RESULTS AND VERIFICATION OF SCALES

Scale of market entry index (GNTT):

Item - Total Statistic

Table 1. Cronbach Alpha Scale of market entry index.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
GNTT	Cronbach's Alpha = 0.701			
GNTT1	16.09	4.504	0.686	0.647
GNTT2	16.04	5.159	0.547	0.703
GNTT3	16.01	5.020	0.583	0.690
GNTT4	16.10	5.743	0.278	0.809
GNTT5	16.14	5.170	0.559	0.700

Looking at column 5, we see that if we remove the GNTT1 scale from the research model, the Cronbach's Alpha coefficient = 0.647 <0.755, demonstrating the value of GNTT1 when removing from the model makes the Cronbach's Alpha coefficient decrease. Similarly with GNTT2, GNTT3, GNTT5, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For GNTT4, the coefficient Cronbach's Alpha = 0.809> 0.701, they show that when removed from the model makes the Cronbach's Alpha coefficient increase, the Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value. So we can see the scales of GNTT1, GNTT2, GNTT3, GNTT5 of the market access index variable consistent with the research model. For GNTT4 which is not suitable with the research model, it will be excluded from the model.

Scale of land access criteria (GDT):

Item - Total Statistics

Table 2. Cronbach Alpha Scale of land access criteria.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
TCDĐ	Cronbach's Alpha = 0.745			
TCDĐ1	11.08	4.994	0.649	0.534
TCDĐ2	10.99	6.357	0.247	0.865
TCDĐ3	11.06	4.841	0.575	0.631
TCDĐ4	11.01	5.136	0.657	0.590

Cronbach's Alpha coefficient = 0.745> 0.5 satisfactory. Looking at column 5, we see that if we remove the scale of TCDĐ1 from the research model, the Cronbach's Alpha coefficient = 0.534 <0.745, demonstrating the value of TCDĐ1 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similar to TCDĐ3 and TCDĐ4, too, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For TCDĐ2, Cronbach's Alpha coefficient = 0.865> 0.745, they show that when removed from the model, Cronbach's Alpha coefficient increases, Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value. So it can be seen that the scales of TCDĐ1, TCDĐ3, TCDĐ4 of the target land access variables are consistent with the research model. For TCD2, which is not suitable with the research model, it will be excluded from the model.

Transparency indicator scale (TMB):

Item – Total Statistics

Table 3. Cronbach Alpha Scale of transparency criteria.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
TMB	Cronbach's Alpha = 0.790			
TMB1	15.88	5.607	0.629	0.712
TMB2	15.91	5.540	0.554	0.749
TMB3	15.81	5.344	0.761	0.681
TMB4	15.87	7.119	0.176	0.857
TNB5	15.82	5.254	0.788	0.671

Cronbach's Alpha coefficient = 0.790> 0.5 satisfactory. Looking at column 5, we see that if we remove the scale TMB1 from the research model, the Cronbach's Alpha coefficient = 0.712 <0.790, demonstrating the value of TMB1 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similarly with TMB2, TMB3 and TMB5, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For TMB4, the coefficient Cronbach's Alpha = 0.857> 0.790, they show that when removed from the model makes the Cronbach's Alpha coefficient increase, the Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value. So we can see the scales TMB1, TMB2, TMB3 and TMB5 of the transparency variables suitable to the research model. For TMB4 which is not suitable with the research model, it will be excluded from the model.

The scale of informal cost norms (CPKCT):

Item – Total Statistics

Table 4. Cronbach Alpha The informal expenditure scale.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
CPKCT	Cronbach's Alpha = 0.707			
CPKCT1	11.48	2.140	0.594	0.555
CPKCT2	11.54	1.848	0.564	0.602
CPKCT3	11.60	2.170	0.540	0.623
CPKCT4	11.63	2.356	0.323	0.751

Cronbach's Alpha coefficient = 0.707> 0.5 satisfactory. Looking at column 5, we see that if we remove the CPKCT1 scale from the research model, the Cronbach's Alpha coefficient = 0.555 <0.707, demonstrating the value of CPKCT1 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similarly with CPKCT2, CPKCT3, CPKCT4, Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. So it can be seen that the scales of CPKCT1, CPKCT2, CPKCT3 and CPKCT4 of informal cost indicator variables are consistent with the research model.

Scale of labor indicators (CSLD):

Item – Total Statistics

Table 5. Cronbach Alpha Scale indicator of labor indicators.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
CSLD	Cronbach's Alpha = 0.726			
CSLD1	11.08	4.994	0.649	0.578
CSLD2	10.98	6.351	0.249	0.821
CSLD3	11.06	4.841	0.575	0.631
CSLD4	11.02	5.140	0.654	0.592

Cronbach's Alpha coefficient = 0.728> 0.5 satisfactory. Looking at column 5, we see that if we remove the CSLD1 scale from the research model, the Cronbach's Alpha coefficient =

0.578 <0.726, demonstrating the value of CSLD1 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similarly with CSLD3 and CSLD4, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For CSLD2, the Cronbach's Alpha coefficient = 0.821> 0.726, they show that when removed from the model makes the Cronbach's Alpha coefficient increase, the Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value. So it can be seen that the scales of CSLD1, CSLD3 and CSLD4 of the labor indicator indicators are consistent with the research model. For CSLD2 not suitable for the research model, it will be excluded from the model.

Scale of fair competition index (CTBD):

Item – Total Statistics

Table 6. Cronbach Alpha Scale of fair competition index.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
CTBD	Cronbach's Alpha = 0.809			
CTBD1	19.76	8.749	0.322	0.828
CTBD2	19.61	7.687	0.640	0.767
CTBD3	19.54	6.772	0.805	0.723
CTBD4	19.52	7.417	0.667	0.759
CTBD5	19.73	9.012	0.239	0.850
CTBD6	19.53	6.733	0.822	0.719

Cronbach's Alpha coefficient = 0.810> 0.5 satisfactory. Looking at column 5, we see that if we remove the CTBD2 scale from the research model, the Cronbach's Alpha coefficient = 0.767 <0.810, demonstrating the value of CTBD2 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similarly with CTBD3, CTBD4, CTBD6, too, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For CTBD1, Cronbach's Alpha coefficient = 0.828> 0.809, they show that when removed from the model, Cronbach's Alpha coefficient increased, Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value, similar to So is CTBD5. So we can see the scales CTBD2, CTBD3, CTBD4, CTBD6 of the indicator criteria of fair competition competition in accordance with the research model. For CTBD1, CTBD5 is not suitable with the research model, so it will be excluded from the model.

Scale of the index of enterprise support services (DV):

Item – Total Statistics

Table 7. Cronbach Alpha Scale of criteria of enterprise support services.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
DV	Cronbach's Alpha = 0.755			
DV1	11.88	3.101	0.650	0.651
DV2	11.81	2.821	0.682	0.624
DV3	11.79	3.011	0.640	0.652
DV4	11.96	3.812	0.287	0.840

Cronbach's Alpha coefficient = 0.757> 0.5 satisfactory. Looking at column 5, we see that if we remove the DV1ra scale from the research model, the Cronbach's Alpha coefficient = 0.651 <0.755, demonstrating the value of DV1 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similarly with DV2, DV3 too, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For DV4 the coefficient Cronbach's Alpha = 0.840> 0.755, they show that when removed from the model causes the Cronbach's Alpha coefficient to increase, the Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value. So it can be seen that the scales of DV1, DV2 and DV3 of the enterprise support service indicator variables are consistent with the research model. For DV4 not suitable with the research model, it will be excluded from the model.

Scale of dynamic and pioneering indicators of provincial leaders (TND):

Item – Total Statistics

Table 8. Cronbach Alpha Scale indicators of dynamism and creativity of the provincial leadership team (TNĐSTCB).

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
TNĐSTCB	Cronbach's Alpha = 0.708			
TNĐSTCB 1	11.48	2.150	0.594	0.588
TNĐSTCB 2	11.53	1.856	0.564	0.602
TNĐSTCB 3	11.60	2.180	0.539	0.623
TNĐSTCB 4	11.62	2.367	0.322	0.732

Cronbach's Alpha coefficient = 0.708> 0.5 satisfactory. Looking at column 5, we see that if we remove TNĐ1 scale from the research model, the coefficient Cronbach's Alpha = 0.588 <0.709, demonstrating the value of TNĐ1 when removed from the model makes Cronbach's Alpha coefficient decrease. Similarly with TN2 and TN3, too, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For TNĐ4, Cronbach's Alpha coefficient = 0.732> 0.708, they show that when removed from the model, Cronbach's Alpha coefficient increases, Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value. So it can be seen that the scales of TNĐ1, TNĐ2 and TNĐ3 of the dynamic and pioneering indicators of the provincial leaders are consistent with the research model. For TNĐ4 not suitable with the research model, it will be excluded from the model.

Scale of legal institutional norms (TCPL):

Item – Total Statistics

Table 9. Cronbach Alpha Legal institutional norm (TCPL) scale.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
TCPL	Cronbach's Alpha = 0.761			
TCPL 1	11.95	3.630	0.601	0.655
TCPL 2	11.98	3.301	0.639	0.654
TCPL 3	11.88	3.758	0.588	0.687
TCPL 4	11.89	4.028	0.414	0.781

Cronbach's Alpha coefficient = 0.761> 0.5 satisfactory. Looking at column 5, we see that if we remove the PL1 scale from the research model, the Cronbach's Alpha coefficient = 0.655 <0.761, demonstrating the value of PL1 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similarly with PL2, PL3, too, the Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. For PL4, Cronbach's Alpha coefficient = 0.781> 0.761, they show that when removed from the model, Cronbach's Alpha coefficient increases, Cronbach's Alpha value of column 5 is greater than the original Cronbach's Alpha value. So it can be seen that the scales PL1, PL2, PL3 of the legal institution indicator variables are consistent with the research model. For PL4 which is not suitable with the research model, it will be excluded from the model.

Target cost of time to implement the regulations of the state (TGTHQD):

Item – Total Statistics

Table 10. Cronbach Alpha Scale indicators of the cost of time for implementing state regulations.

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach' Alpha if Item Deleted
TG	Cronbach's Alpha = 0.841			
TGTHQD1	15.26	5.352	0.616	0.801
TGTHQD2	15.27	5.135	0.634	0.802
TGTHQD3	15.14	5.132	0.718	0.781
TGTHQD4	15.09	4.947	0.602	0.814
TGTHQD5	15.17	5.070	0.624	0.805

Cronbach's Alpha coefficient = 0.841> 0.5 satisfactory. Looking at column 5, we see that if we remove the TG1 scale from the research model, the Cronbach's Alpha coefficient = 0.801 <0.841, demonstrating the value of TGTHQD1 when removed from the model makes the Cronbach's Alpha coefficient decrease. Similarly with TGTHQD2, TGTHQD3, TGTHQD4, TGTHQD5, Cronbach's Alpha value of column 5 is smaller than the original Cronbach's Alpha value. So we can see that the scales of TGTHQD1, TGTHQD2, TGTHQD3, TGTHQD4, TGTHQD5 of the variable only cost time to implement the regulations of the State in accordance with the research model.

6. CONCLUSIONS

Ten component indicators of provincial competitiveness are tested and meet the value, reliability and relevance of the model to market data. In addition, these ten component indices are also analyzed through SEM linear structure analysis. With the results of the Thai Nguyen Provincial Competitiveness Index study, the indicators are improved in order of priority: Indicators of the cost of time for implementing state regulations; Fair competition index; Transparency criteria; Legal institutional norms; Targets of enterprise support services; Market entry index; Labor indicators; Access criteria for land; Unofficial expense targets and Dynamic and pioneering targets of the provincial leaders.

Research results show that the influence of variables is different. The most influential is the "time cost norms for implementing state regulations" with a confidence level of 0.841; The second effect is the "fair competition index" with a reliability of 0.809; The third influence is the "transparency index"; The fourth influence is "The norm of legal institutions"; The fifth influence is "Target of enterprise support services"; The sixth influence is the "Market Access Index"; The seventh influence is the "labor index indicator"; The eighth influence is the "Land

Access Indicator"; The ninth influence is the "Informal Expenditure Index" and the "Dynamic and pioneering norm of provincial leaders". Empirical research results show that ten component indicators affect the provincial competitiveness index. These results reinforce the initial assumptions about the component indicators affecting the provincial competitiveness index and make some policy recommendations related to these factors for improvement. High provincial competitiveness index, taking case studies for Thai Nguyen case study.

In order to improve the responsibilities of departments and agencies with the provincial business environment improvement program, agencies and units need to change the concept of promoting achievement in the PCI results. Instead, it must be associated with the improvement of efficiency, monitoring and evaluation after the quality of continuous operation of agencies and units. Constantly improving the performance of the judiciary. Quickly solve problems and procedures related to legal. There is a periodic monitoring and inspection mechanism to ensure that all complaints are recorded and answered to the business. Continuing to promote the advantage of being one of the education and training centers of the country, making more efforts in management, training and improving the quality of human resources with the aim of helping enterprises reduce recruitment costs. Reduce labor training costs and improve business satisfaction with labor quality. Enhance the capacity and effectiveness of job introduction through the job information website, job transaction floor, and activities of the job introduction center. Orientation, support to improve operational efficiency and good management of organizations and businesses in providing job placement services.

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