**ORIGINAL CONTRIBUTIONS OF THE DISSERTATION**

Dissertation title: ***Impacts of credit access and innovation on firm performance in Vietnam***

Specialization: Economics (E-PhD) Specialization code:9310101

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Supervisors: Dr. Vũ Tuấn Anh

Institution: National Economics University

**Original contributions on academic and theoretical aspects**

This research makes two key contributions to literature.

First, this research is among the first to investigate the combined effects of access to credit and innovation on firm performance, measured by labor productivity, revenue, and value added by employing the Theory of the growth of the firm and Resource – based theory. We find that credit access has a positive effect on firm’s labour productivity. We provide evidence on the positive influence of innovation through making improvements of existing products and launching new production processes on firm performance. Interestingly, the findings reveal that while the combination of access to credit and innovation does not have a significant effect on labor productivity, it does lead to a notable increase in both revenue and value added for firms. This sheds light on the relationship between financial access, innovation, and firm performance, highlighting the importance of considering multiple dimensions when analyzing their impact on business outcomes.

Second, this research paper presents a pioneering contribution to the field by utilizing a longitudinal dataset derived from manufacturing SMEs across Vietnam. Leveraging data from a biennial SME survey spanning from 2005 to 2013, alongside an annual PCI survey, this paper, to the best of our knowledge, is the first to make use of every available data to create a long-term panel dataset for analyses. Our research distinguishes itself by employing the full set of available data points. It effectively addresses the endogeneity issue in the data through the application of three instrumental variables: distance, credit history, and the mean of innovation, ensuring accurate and unbiased results. This comprehensive approach allows for a holistic examination of SME dynamics and growth by capturing trends and patterns over an extended period.

**Recommendations derived from the findings of the dissertation**

Based on the findings, this research has proposed some recommendations for policy makers and entrepreneurs to enhance their firm performance:

* In terms of the SME-supporting agents, it is necessary to help the firms have access to credit more easily by consulting loan applications, planning feasible business projects, and guiding them to use loans effectively.
* In terms of commercial banks, they should focus more on SME clients by offering banking products and services, credit bank guarantee, discount, financial leasing, and other credit operations in accordance with the size and characteristics of SMEs.
* SMEs need to increase investment and application of technology in preparing accounting books, tax declaration and electronic customs, and banking transactions via the internet to reduce transaction costs, connect and share financial information with credit institutions to gradually make financial information transparent and create trust in the market.

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