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Social Sciences

THE SOLUTION TO IMPROVE COMPETITIVENESS OF FINANCIAL LEASING COMPANIES IN VIETNAM

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ABSTRACT:
THE STUDY IS DONE TO ASSESS THE AFFECTING OF THE FACTORS TO THE COMPETITIVENESS OF FINANCIAL LEASING COMPANIES IN VIETNAM. THE PRIMARY AND SECONDARY DATA HAVE BEEN USED IN WHICH THE PRIMARY DATA IS COLLECTED FROM WITH THE MANAGERS OF FINANCIAL LEASING COMPANIES AND THE SECONDARY DATA IS FROM THE VAST LITERATURE. THE HYPOTHESES ARE DEVELOPED AND ASSESSED BY USING THE STRUCTURAL EQUATION MODELING TECHNIQUE (SEM). THE RESULT HAS SHOWN THAT TEN FACTORS HAVE THE POSITIVE INFLUENCE. IN PARTICULARLY, TWO NEW PROPOSED VARIABLES AS PRICE AND RISK MANAGEMENT HAVE THE STRONGLY AFFECTING TO THE COMPETITIVENESS. THESE FINDING STRENGTHENS THE PREVIOUS PROPOSED MODEL. THE RECOMMENDATIONS ARE THEN FORMULATED TO IMPROVE THE COMPETITIVENESS OF FINANCIAL LEASING COMPANIES IN VIETNAM IN THE CURRENT PERIOD.

KEYWORDS: COMPETITIVENESS, FINANCIAL LEASING, RISK MANAGEMENT, VIETNAM

INTRODUCTION

Competitiveness is one of the most important aspects that the company must always consolidate and improve in the current business context (Liu)[2]. Many companies competing for market share can only exist when they create a sustainable competitive platform (Glod & Flak)[3]. These companies have the different resources that will create both the various competitive advantages, and the diversity of the market (Sirmon et al.)[4]. Therefore, the managers need to adopt an updated model that is consistent with the business environment and conditions in order to consolidate and maintain their own competitiveness. The company invests in efforts to promote the competitiveness strengthening policies that will get the huge benefits. (Newbert)[5].

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[2] Liu Gao, "Self-selection bias or decision inertia? Explaining the municipal bond "competitive sale dilemma.", *Journal of Public Budgeting, Accounting & Financial Management* 30 (2018): 86-106
[3] Głód Grzegorz and Olaf Flak, "Factors of Competitiveness in Polish Companies in the Silesian Region in 2014–2016". *Oeconomia Copernicana* 8 (2017): 601 – 619
[4] Sirmon, David et al., "The Dynamic Interplay of Capability Strengths and Weaknesses: Investigating the Bases of Temporary Competitive Advantage." *Strategic Management Journal* 31 (2010): 1386-1409.
[5] Newbert, L. Scott, "Empirical Research on Resource Based View of the Firm: An Assessment and Suggestions for Future Research." *Strategic Management Journal*, 28 (2006): 121-146.

As per previous own studies about proposing the model of competitiveness of which are as the competitiveness and ten independence variables such as human resource, finance, executive administration, service quality, product-service, price, brand, marketing, scale-network, and risk management, this study is for the re-verification by the empirical survey at the financial leasing companies. Therefore, clarification of the relationship is the objective in this study.

LITURATURE REVIEW

1. Recent researches of competitiveness

Many researches have stated that the competitiveness is affected by social institutions such as state agencies, unions, financial institutions, major organizations, social treatment, ownership, organizational structure and mental habits, rules and codes of conduct. According to Janczewska[6], the competitive capability is the adaptation of its products to market requirements. It is the ability to maintain, deploy and coordinate resources to help the company achieve its goals (Sanchez, 2004). Paul R. Krugman has said that productivity growth is the main driver of the competitive competence which, according to Kianto & Pavlov[7] is the degree of freedom and fair market conditions. It also focuses on high wage conditions to determine the competitiveness which is a simply another way to express the productivity (Gowen & Johnson)[8]. Competitive capability is a set of institutions, policies and factors that determine a country's productivity level (Schwab & Sala-i-Martin)[9]. Suchanek[10] argues that competitiveness is the foundation for the market share in countries around the world on their products or services which contributes to achieve GDP growth per capita in each country. Anamarija et al.[11] are interested that the good production process, and high quality products or services at a lower cost comparing to competitors that is the competitiveness's aspect; Oneshko & Ilchenko[12] states that the competitiveness of the company is based on the design of the products, the sales with price, the quality, and other features, with more attractive than competitors;

[6] Janczewska Danuta, "Competitive factors for microenterprises in the process of marketing and logistics management based on the Kuyavian-Pomeranian Voivodeship." *Przedsiębiorczość i Zarządzanie/ Entrepreneurship and Management* 15(2014): 93 – 105.

[7] Kianto, Aino, Andreeva, Tatiana and Pavlov, Yaroslav. "The impact of intellectual capital management on company competitiveness and financial performance." *Knowledge Management Research & Practice.* 11 (2013): 112-122.

[8] Gowen R. Charles and Johnson M. James, "Business process improvement in equipment finance.", *Journal of Equipment Lease Financing,* 27 (2009): 1-9.

[9] Schwab Klaus. and Sala-i-Martín Xavier, "*The Global Competitiveness Report 2013- 2014. Geneva: World Economic Forum"* (2013).

[10] Suchanek, Petr, Spalek, Jiri and Sedlacek, Milan, "Competitiveness factors in post-transformation period : the case of Czech enterprises." *European Research Studies Journal,* 14 (2011): 119-144.

[11] Anamarija Delić, Sunčica Oberman Peterka and Ivan Kurtovic, "Is there a relationship between financial literacy, capital structure and competitiveness of SMEs?" *Econviews - Review of Contemporary Business, Entrepreneurship and Economic Issues* 29 (2016): 37-50.

[12] Oneshko Svitlana and Ilchenko, Svitlana. "Financial monitoring of the port industry companies on the basis of risk-oriented approach." *Investment Management and Financial Innovations.* 14 (2017): 191-199.

2. Concept of Financial Leasing

Helmut & Frank[13] has showed the importance of financial leasing as an integral part of the financial toolkit for the operation of the companies. Joenne[14] has stated that the financial leasing industry is considered one of the most important sectors for the development of economic. Yang[15] has argued that financial leasing offers the benefits for the companies such as expanding financial channels, reducing pressure on funds, promoting technological innovation, and promoting the market development. According to Kolpakova & Evdokimova[16] that financial leasing is a medium and long-term credit activity through the lease of machinery, equipment, transport means and other assets on the basis of a financial leasing contract between the lessor as the financial leasing companies and the lessee as the customers. Financial leasing is the useful approach to solve the capital problems for the scientific and technological developments of product and service that is an alternative for the long-term bank loan (Kuznyetsova, Kozmuk, & Levchenko)[17]. With this tool, the lessee can use equipement or machines without buying, and using their own capital. The lessors provide the right to use their own assets to the lessees through a certain leasing amount of money that the lessees can buy this equipment or machine at the end of the leasing contact (Popa)[18].

3. Research model

As per the own previous studies, the proposed model has ten independent variables including Human resource (NL), Finance (TC), Executive administration (QT), Service quality (CL), Product – Service (SP), Price (GC), Brand(TH), Scale – Network (QM), Marketing (MK), Risk management (RR) (Dzu)[19].

[13] Helmut Kraemer-Eis and Lang Frank, "The importance of leasing for SME finance, No 2012/15, EIF" Working Paper Series, European Investment Fund (EIF), https://EconPapers.repec.org/RePEc:zbw:eifwps:201215.

[14] Joanne Weiss, "Competing Principles: Race to the Top, a $4 billion US education reform effort, produced valuable lessons on designing a competition-based program." (2015) Retrieved from https://ssir.org/articles/entry/competing_principles

[15] Yang Jianping, "The Research on Financial Leasing and China's Small Micro Enterprises." *International Business and Management* 5 (2012): 33-37.

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[18] Popa Adrian B. et al., "What is the role of perceived leadership capacity in presidential politics? Young voters' perceptions of candidates' leadership practices and the 2008 U.S. presidential race." *Journal of Leadership Studies* 5 (2011): 25-39.

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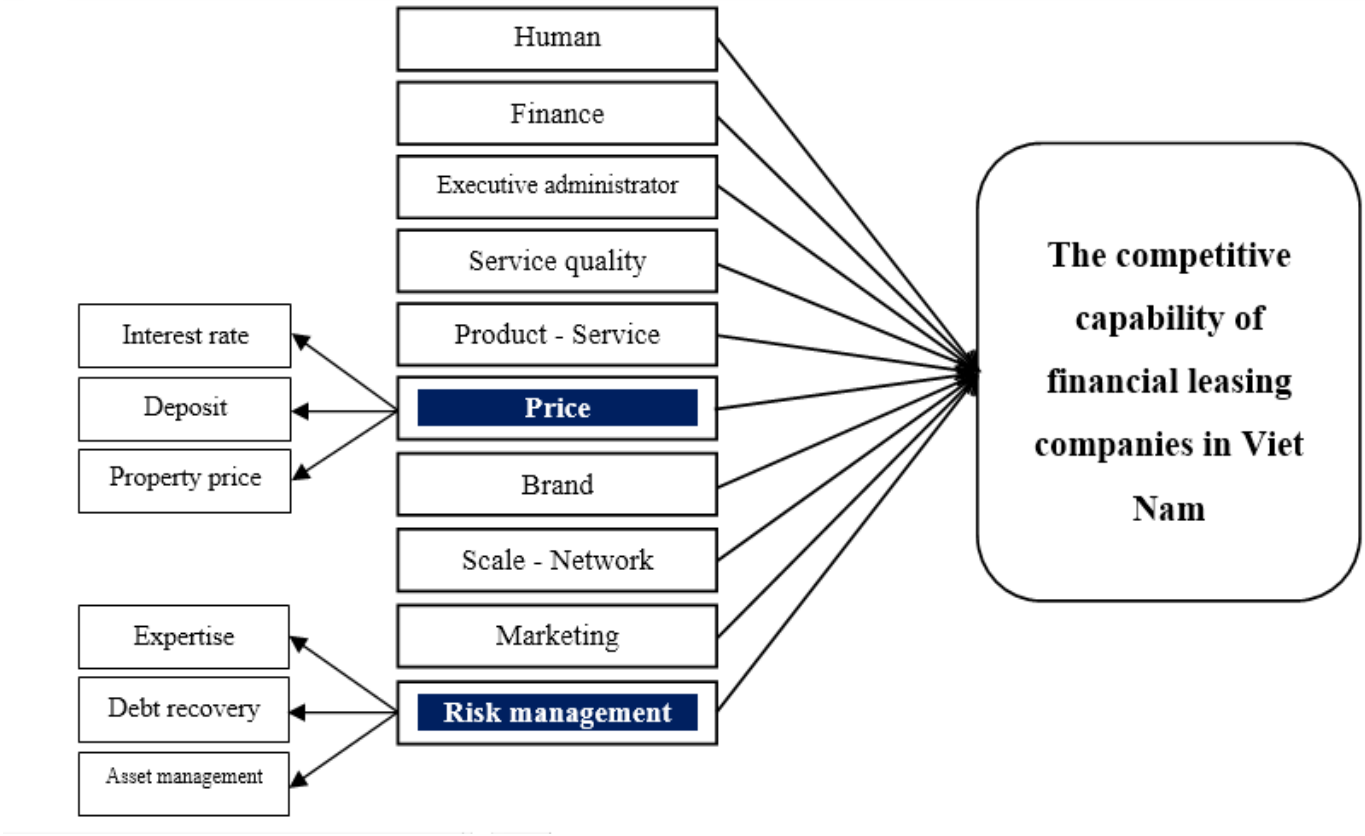
Figure 1: Research model.



Source: Own (2019).

The hypothesis is developed to assess the influence level of these variables to the dependent variable – competitiveness.

- H1: Human resource affects the competitiveness.
- H2: Finance affects the competitiveness.
- H3: Executive administration affects the competitiveness.
- H4: Service quality affects the competitiveness.
- H5: Product/service affects the competitiveness.
- H6: Price affects the competitiveness.
- H7: Brand affects the competitiveness.
- H8: Scale-network affects the competitiveness.
- H9: Marketing affects the competitiveness.
- H10: Risk management affects the competitiveness.

METHODOLOGY

As the objective of finding the factors affecting the competitiveness, both primary and secondary data have been used. Secondary data are used to cover the literature which are foundation for the primary data development. They are collected from journals and books which have been published from different sources as Science Direct, Emerald, Google Scholar,

etc. Subsequently, the questionnaire is prepared to get the primary data. The respondents are at least the 3-year experience managers working in non-bank institutions or financial leasing organizations. They are asked to give their thought for each statement through the 5-point Likert scale with 1 to signify "strongly disagree", and 5 to signify "strongly agree". The questionnaire is sent online via Google doc to 300 businesses in Vietnam. In order to ensure the general objective, and the quality of the data, the open questions is also presented to collect the brief explanation. Totally, there are 550 questionnaires is issued which 520 are collected. After checking and filtering out invalid and incomplete ones, there are 507 valid respondents which ensure the data entry for analyzing.

DATA ANALYSIS

1. Evaluate the results of Cronbach's Alpha reliability testing

After removing unsuitable variables, including: NL2 (Appropriate professionally trained employees), TC4 (Quick corporate capital turnover), SP3 (The company's rental products are diverse and rich, with the remaining variables performed the design test steps of SPSS software, giving reliable results in the research model, with:

- Cronbach's Alpha coefficients are all > 0.6
- The correlation coefficients turn the total factor > 0.3

Thus, based on the above theoretical basis, the results of Cronbach's Alpha reliability testing for independent variables are very good and all variables meet the requirements.

Table 1: Summary of Cronbach's Alpha reliability by model

Factors	Cronbach's Alpha coefficient	Correlation coefficients of the smallest total	Number of original observed variables	Number of remaining observed variables
Human (NL)	.863	.678	5	4
Finance (TC)	.914	.745	5	4
Executive administrator (QT)	.937	.733	6	6
Service quality (CL)	.875	.689	4	4
Product - Service (SP)	.921	.813	5	4
Price (GC)				
Price according to interest rate (GC1)	.893	.762	3	3
Price according to deposit (GC2)	.885	.765	3	3
Price according to asset price (GC3)	.879	.748	3	3
Brand (TH)	.919	.728	5	5
Scale - Network (QM)	.935	.816	4	4

Marketing (MK)	.918	.726	5	5
Risk (RR)				
Appraisal risk (RR1)	.858	.688	3	3
Risk of debt collection (RR2)	.872	.707	3	3
Risk of asset management (RR3)	.889	.768	3	3
The competitive capability (NLCT)	.842	.666	3	3

2. *EFA discovery factor analysis*

The results are as follows in EFA discovery analysis:

- **KMO Results**

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.905
Bartlett's Test of Sphericity	Approx. Chi-Square	24811.967
	df	1596
	Sig.	.000

Source: Own (2019)

Table 4: Pattern Matrix Results

Pattern Matrix[a]

	Factor										
	1	2	3	4	5	6	7	8	9	10	11
RR6	.915										
RR9	.907										
RR2	.895										
RR4	.868										
RR8	.861										
RR7	.843										
RR3	.832										
RR5	.726										
RR1	.724										

GC3		.899									
GC7		.878									
GC2		.877									
GC6		.872									
GC5		.849									
GC4		.841									
GC8		.833									
GC9		.812									
GC1		.798									
QT4			.904								
QT6			.896								
QT2			.891								
QT3			.854								
QT1			.789								
QT5			.747								
TH4				.899							
TH2				.891							
TH3				.857							
TH5				.778							
TH1				.758							
MK4					.900						
MK2					.897						
MK3					.847						
MK5					.775						
MK1					.753						
SP2						.877					
SP5						.875					

SP1						.856					
SP4						.853					
TC5							.985				
TC3							.833				
TC1							.804				
TC2							.770				
QM4								.954			
QM1								.880			
QM3								.839			
QM2								.809			
NL5									.830		
NL4									.810		
NL3									.756		
NL1									.723		
CL4										.891	
CL2										.848	
CL1										.668	
CL3										.562	
NLCT2											.899
NLCT3											.748
NLCT1											.705

Source: Own (2019)

The above results show that the independent variables ensure two convergent and distinctive values, the KMO coefficients are satisfactory. In the Model Matrix (Pattern Matrix) shows with Factor loading> 0.5, so the variables in the model have practical meaning.

OFFICIAL MODEL AND RESEARCH HYPOTHESES

- ***Official model***

After performing the steps of analyzing the reliability and analyzing the exploratory factors, the unsuitable observable variables are eliminated to give the required results as prescribed. Thus the formal model is unchanged from the original proposed model. In order to

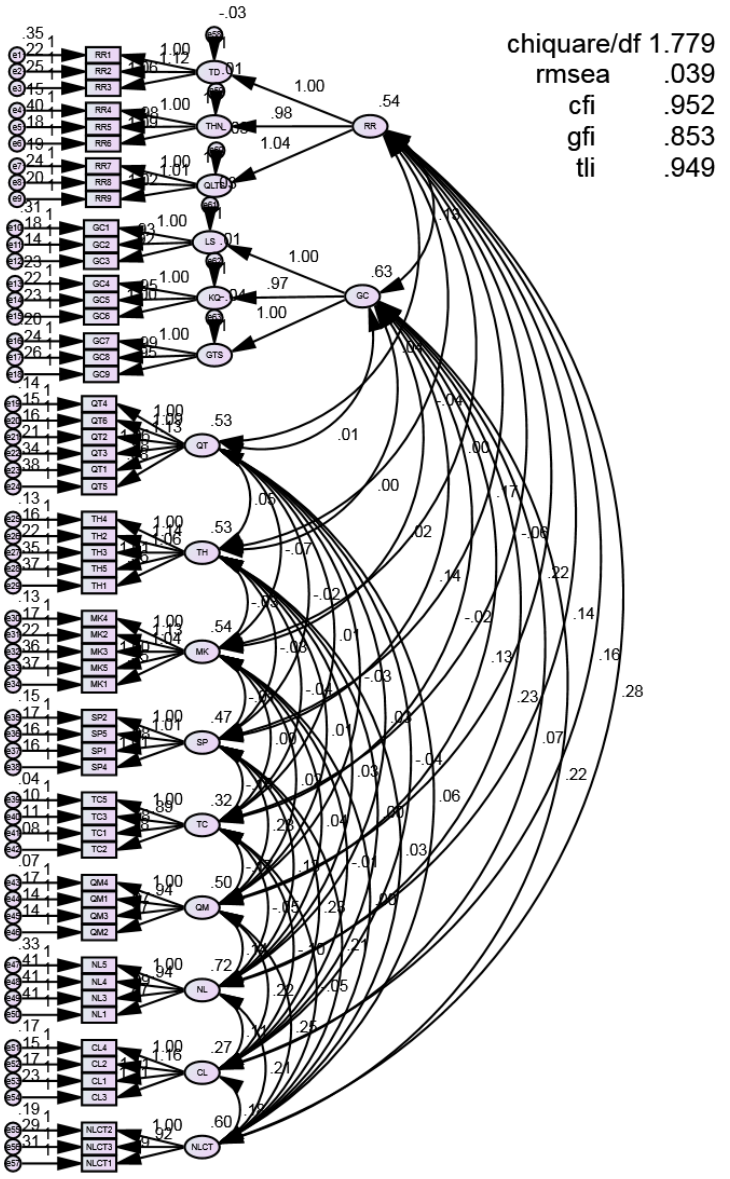
proceed to the next step in quantitative research, it is necessary to make hypotheses about the relationship as well as the impact of independent variables on the dependent variable in the model.

- ***Results of CFA analysis***

Results after running standardized CFA tests: Chi - Square: 2629.506 (p = 0.000); Chiquare / df: 1,779 (<3); RMSEA: 0.039 (<0.08); CFI: 0.952 (> 0.9); GFI: 0.853 (reached); TLI: 0.949 (> 0.9); AGFI: 0.835 (> 0.8); P: 0.178 (> 0.05); Number of degrees of freedom: 1478.

Thus, the evaluation of the results of factor analysis confirms that CFA shows appropriate scales of unidirectional. Standardized weights are higher than 0.5, reaching statistical significance (all p = 0.000 values), so all scales are convergent.

Figure 1: Results of CFA analysis



Source: Own (2019)

Table 6: Results of value verification distinguish between factors in the critical model

			Estimate (r)	S.E.	C.R.	P- Value
TD	<---	RR	1.000			
THN	<---	RR	.985	.043	23.044	***
QLTS	<---	RR	1.045	.045	23.364	***
LS	<---	GC	1.000			
KQ	<---	GC	.971	.042	22.900	***
GTS	<---	GC	.999	.041	24.588	***
QT4	<---	QT	1.000			
QT6	<---	QT	1.087	.036	30.352	***
QT2	<---	QT	1.135	.037	30.515	***
QT3	<---	QT	1.063	.038	27.658	***
QT1	<---	QT	.976	.043	22.610	***
QT5	<---	QT	.981	.045	21.737	***
TH4	<---	TH	1.000			
TH2	<---	TH	1.143	.038	29.776	***
TH3	<---	TH	1.065	.040	26.633	***
TH5	<---	TH	1.010	.045	22.518	***
TH1	<---	TH	.960	.045	21.349	***
MK4	<---	MK	1.000			
MK2	<---	MK	1.131	.038	29.452	***
MK3	<---	MK	1.042	.039	26.436	***
MK5	<---	MK	.995	.045	22.184	***
MK1	<---	MK	.954	.045	21.319	***
SP2	<---	SP	1.000			
SP5	<---	SP	1.005	.040	25.394	***

			Estimate (r)	S.E.	C.R.	P- Value
SP1	<---	SP	.982	.039	25.364	***
SP4	<---	SP	1.013	.039	25.792	***
TC5	<---	TC	1.000			
TC3	<---	TC	.888	.031	28.184	***
TC1	<---	TC	.783	.032	24.767	***
TC2	<---	TC	.784	.028	28.123	***
QM4	<---	QM	1.000			
QM1	<---	QM	.937	.032	29.171	***
QM3	<---	QM	.966	.031	31.467	***
QM2	<---	QM	.967	.030	31.854	***
NL5	<---	NL	1.000			
NL4	<---	NL	.944	.051	18.637	***
NL3	<---	NL	.891	.049	18.123	***
NL1	<---	NL	.869	.049	17.884	***
CL4	<---	CL	1.000			
CL2	<---	CL	1.165	.058	19.986	***
CL1	<---	CL	1.106	.058	19.134	***
CL3	<---	CL	1.105	.062	17.870	***
NLCT2	<---	NLCT	1.000			
NLCT3	<---	NLCT	.923	.048	19.277	***
NLCT1	<---	NLCT	.794	.045	17.797	***
RR2	<---	TD	1.116	.051	22.098	***
RR3	<---	TD	1.060	.050	21.248	***
RR1	<---	TD	1.000			
RR4	<---	THN	1.000			

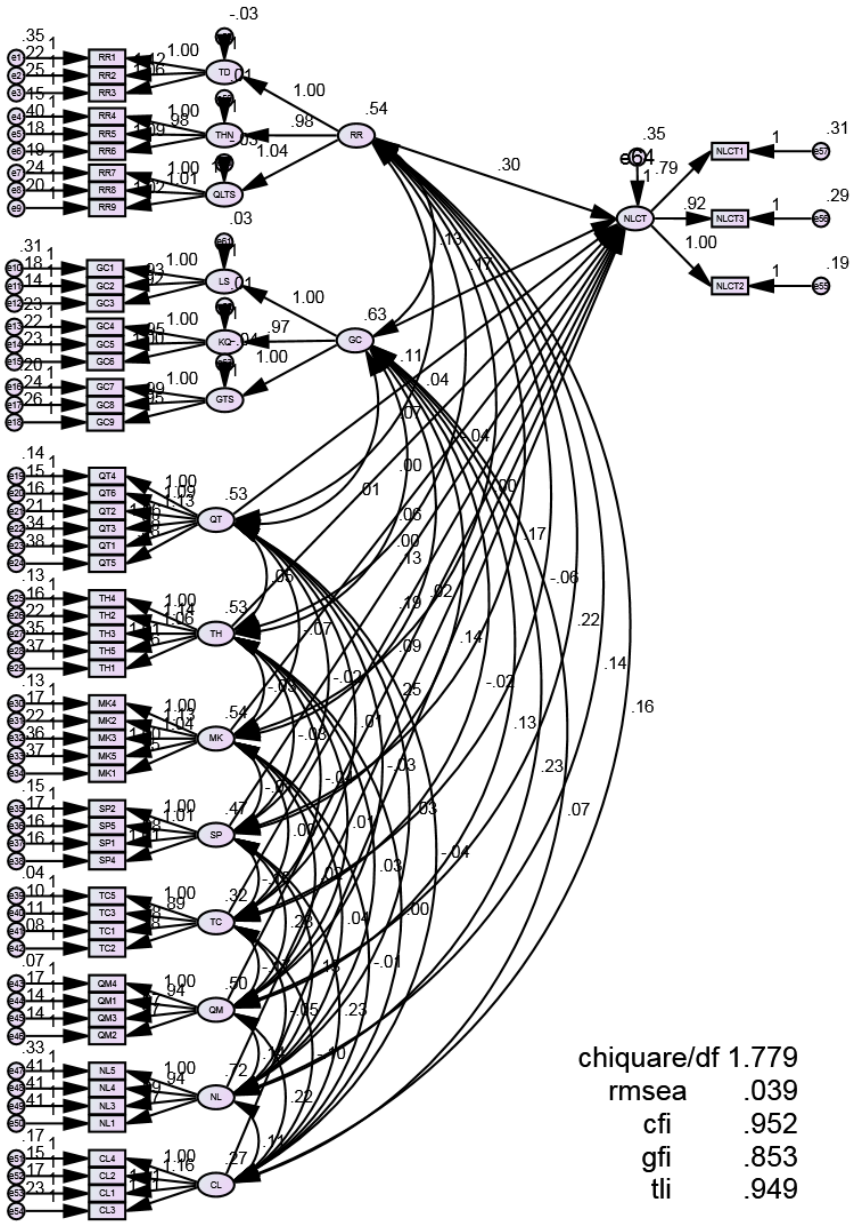
			Estimate (r)	S.E.	C.R.	P- Value
RR5	<---	THN	.976	.046	21.200	***
RR6	<---	THN	1.091	.038	28.860	***
RR8	<---	QLTS	1.010	.039	25.747	***
RR9	<---	QLTS	1.017	.038	26.864	***
RR7	<---	QLTS	1.000			
GC1	<---	LS	1.000			
GC2	<---	LS	.925	.038	24.585	***
GC3	<---	LS	.916	.036	25.568	***
GC5	<---	KQ	.949	.038	24.758	***
GC4	<---	KQ	1.000			
GC6	<---	KQ	1.001	.040	25.200	***
GC7	<---	GTS	1.000			
GC9	<---	GTS	.951	.039	24.543	***
GC8	<---	GTS	.988	.038	25.888	***

Note: r: is the correlation coefficient; SE = SQRT(1-r^2)/(n-2); n: sample size; CR= (1-r)/SE; P-value = TDIST(CR, n-2, 2).

Source: Own (2019)

- **Analysis results by SEM linear structure model**

Figure 2: Results of SEM analysis



Source: Own (2019)

After the CFA step, the author continues to perform hypothesis testing by the SEM linear structure model.

After the SEM verification step, the result is: Chiquare / df: 1,779 (<3); RMSEA: 0.039 (<0.08); CFI: 0.952 (> 0.9); GFI: 0.853 (reached); AGFI: 0.835 (> 0.8); TLI: 0.949 (> 0.9). Thus, according to the test results with the above values, the theoretical model is suitable for the survey data. The estimated results have shown that the relationships all have an impact on the competitive competence of FLC in Vietnam. The special hypotheses are guaranteed, with

the factors being independent variables all have a positive impact on the competitive capability variable.

Table 7: Results of estimating (standardizing) the relationship of SEM model

Relationship			Estimate (regression weight)	S.E (error)	C.R (reliability synthetic)	P_Value
TD	<---	RR	1.000			
THN	<---	RR	.985	.043	23.044	***
QLTS	<---	RR	1.045	.045	23.364	***
LS	<---	GC	1.000			
KQ	<---	GC	.971	.042	22.900	***
GTS	<---	GC	.999	.041	24.588	***
NLCT	<---	QT	.108	.044	2.445	.014
NLCT	<---	TH	.066	.044	1.511	.131
NLCT	<---	MK	.001	.044	.015	.988
NLCT	<---	SP	.059	.069	.854	.393
NLCT	<---	TC	.125	.063	1.978	.048
NLCT	<---	QM	.192	.066	2.905	.004
NLCT	<---	NL	.094	.043	2.202	.028
NLCT	<---	CL	.249	.102	2.436	.015
NLCT	<---	GC	.169	.043	3.896	***
NLCT	<---	RR	.299	.051	5.863	***

Source: Own (2019)

In the regression analysis with SEM model, the causal relationship of the variables has the value P value <0.05. Only 3 variables TH, MK, SP have P value> 0.05, it can be assumed that these factors have not been determined all impacts on the Competitive capability from the survey.

TESTING RESEARCH MODEL WITH BOOTSTRAP

The Bootstrap method is a re-sampling method, with the original model acting as a crowd. This Bootstrap sample with N = 500. Estimated results with Bootstrap with N = 500, averaged, small bias (bias). Therefore, the estimates in the research model are reliable.

Table 8: Estimated results by Bootstrap with N = 500 (standardized)

Regression Weights: (Group number 1 - Default model)

Parameter			SE	SE-SE	Mean	Bias	SE-Bias
TD	<---	RR	0	0	1	0	0
THN	<---	RR	0.049	0.002	0.985	0.001	0.002
QLTS	<---	RR	0.047	0.001	1.046	0.001	0.002
LS	<---	GC	0	0	1	0	0
KQ	<---	GC	0.072	0.002	0.969	-0.002	0.003
GTS	<---	GC	0.064	0.002	1.002	0.003	0.003
QT4	<---	QT	0	0	1	0	0
QT6	<---	QT	0.043	0.001	1.089	0.001	0.002
QT2	<---	QT	0.045	0.001	1.136	0.001	0.002
QT3	<---	QT	0.045	0.001	1.064	0.002	0.002
QT1	<---	QT	0.047	0.001	0.975	-0.001	0.002
QT5	<---	QT	0.049	0.002	0.982	0	0.002
TH4	<---	TH	0	0	1	0	0
TH2	<---	TH	0.046	0.001	1.146	0.003	0.002
TH3	<---	TH	0.046	0.001	1.066	0.001	0.002
TH5	<---	TH	0.05	0.002	1.012	0.003	0.002
TH1	<---	TH	0.051	0.002	0.959	-0.001	0.002
MK4	<---	MK	0	0	1	0	0
MK2	<---	MK	0.042	0.001	1.132	0.001	0.002
MK3	<---	MK	0.044	0.001	1.043	0.001	0.002
MK5	<---	MK	0.049	0.002	0.997	0.001	0.002
MK1	<---	MK	0.046	0.001	0.955	0.001	0.002
SP2	<---	SP	0	0	1	0	0
SP5	<---	SP	0.05	0.002	1.008	0.002	0.002
SP1	<---	SP	0.055	0.002	0.988	0.006	0.002

SP4	<---	SP	0.053	0.002	1.019	0.005	0.002
TC5	<---	TC	0	0	1	0	0
TC3	<---	TC	0.04	0.001	0.887	0	0.002
TC1	<---	TC	0.045	0.001	0.785	0.001	0.002
TC2	<---	TC	0.043	0.001	0.786	0.002	0.002
QM4	<---	QM	0	0	1	0	0
QM1	<---	QM	0.038	0.001	0.939	0.002	0.002
QM3	<---	QM	0.036	0.001	0.965	-0.001	0.002
QM2	<---	QM	0.045	0.001	0.967	0.001	0.002
NL5	<---	NL	0	0	1	0	0
NL4	<---	NL	0.052	0.002	0.945	0.002	0.002
NL3	<---	NL	0.051	0.002	0.894	0.003	0.002
NL1	<---	NL	0.045	0.001	0.867	-0.002	0.002
CL4	<---	CL	0	0	1	0	0
CL2	<---	CL	0.134	0.004	1.173	0.008	0.006
CL1	<---	CL	0.145	0.005	1.112	0.006	0.006
CL3	<---	CL	0.145	0.005	1.113	0.007	0.006
NLCT2	<---	NLCT	0	0	1	0	0
NLCT3	<---	NLCT	0.047	0.001	0.925	0.003	0.002
NLCT1	<---	NLCT	0.042	0.001	0.795	0	0.002
RR2	<---	TD	0.057	0.002	1.12	0.004	0.003
RR3	<---	TD	0.051	0.002	1.061	0.001	0.002
RR1	<---	TD	0	0	1	0	0
RR4	<---	THN	0	0	1	0	0
RR5	<---	THN	0.052	0.002	0.98	0.004	0.002
RR6	<---	THN	0.044	0.001	1.092	0.001	0.002
RR8	<---	QLTS	0.043	0.001	1.012	0.002	0.002
RR9	<---	QLTS	0.041	0.001	1.018	0.001	0.002

RR7	<---	QLTS	0	0	1	0	0
GC1	<---	LS	0	0	1	0	0
GC2	<---	LS	0.063	0.002	0.926	0.001	0.003
GC3	<---	LS	0.057	0.002	0.92	0.004	0.003
GC5	<---	KQ	0.063	0.002	0.955	0.005	0.003
GC4	<---	KQ	0	0	1	0	0
GC6	<---	KQ	0.063	0.002	1.005	0.005	0.003
GC7	<---	GTS	0	0	1	0	0
GC9	<---	GTS	0.071	0.002	0.955	0.004	0.003
GC8	<---	GTS	0.065	0.002	0.99	0.002	0.003

Source: Own (2019)

CONCLUSION

Through the results of empirical analysis, the hypotheses are ensured with the impact from the factors (independent variables) on the competitive capability (the dependent variable) in the research model. The factors have a very strong impact on the competitiveness. The results show that all assurances of theory and verification show that the hypotheses are correct. Thus, in order to strengthen and enhance the competitive capability of financial leasing companies in Vietnam, the author focuses on proposing recommendation to two important and new factors: Price and Risk Management. The price should be reasonable and competitive. The managers also pay attention in the interest rate, and the leasing deposit to offer the good price to the lessees. In the risk management, the problems normally are related to the appraisal process, debt collection, and asset management. The managers need to prepare the detail plans to give the suitable strategies to manage and minimize the risks.

Besides reasonable price and risk management, the competitiveness enhancing is also required the focusing on other factors such as the human resource, healthy financial, executive administration, product and service quality, marketing activities, and image rating. Therefore the managers need to focus on a comprehensive development to improve the company's competitive capacity in a sustainable way towards achieving success.

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