Factors affecting the success of small and medium-size enterprises in southeast provinces

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Abstract
Small and medium-sized enterprises (SMEs) play an important role in socio-economic development, contributing significantly to GDP, creating jobs, and stabilizing the economy. Compared to other countries in the region and the world, Vietnamese SMEs still have many limitations in terms of scale and contribution levels and have not yet fully brought into play their full potential (Phung The Dong, 2019). However, recent studies indicate that SMEs are more likely to fail than large firms, even though they are often seen as important internal drivers of a country's economy (Bloch and Bhattacharya, 2016; Lo *et al*, 2016). According to Gnizy *et al* (2014), characteristics including: resource constraints, informal strategy, inflexible structure and lack of strategic planning processes may have contributed to the failure of surname. Recent studies suggest that if we can better understand why small and medium businesses fail, we should be able to increase the odds of success. However, it has proven extremely difficult to predict which factors will succeed and fail. This has recently become a hot topic because it has been difficult for researchers to explain and predict why some firms succeed and others fail (Olaison & Sorensen, 2014). In this study, the author has found out factors such as: Social responsibility, Government support, finance, management, marketing ability, access to technology innovation, have a positive impact on the success of SMEs in Southeastern provinces

Keywords: Business, External Environment, Internal Environment, Success, SMEs

1. Introduction
Currently, the business sector contributes the most to the development of the economy, accounting for over 60% of the GDP of the entire economy. On average, in the 2011-2017 period, the number of operating enterprises with business results increased by 9.5% / year, the number of employees attracted to work in the enterprise sector increased by 5% / year, capital for production and business increased 14.2% / year, revenue increased 12.3% / year, profit increased 17.4% / year. Enterprises are most concentrated in the Southeast with nearly 216.2 thousand enterprises, accounting for 41.7% of the total number of enterprises in the country, of which the largest is Ho Chi Minh City with 172.6 thousand enterprises, accounting for 33.3% of the total number of enterprises in the country and this is also the region that attracts the most labor force in the country with more than 5.3 million employees, accounting for 37.7% of the total number of employees in enterprises of the country. Particularly, the type of SMEs in Vietnam currently has about 507.86 thousand SMEs, accounting for about 98.1% of the total number of enterprises operating in the country (Ministry of Planning and Investment, 2019). The author selected the Southeast region for experimental study because this is a dynamic economic locomotive region of the country, including 6 provinces / cities: Ho Chi Minh City, Dong Nai, Binh Duong, Ba Ria - Vung. Tau, Binh Phuoc, Tay Ninh are the leading economic regions of the country with four nuclear provinces for economic development: TP. Ho Chi Minh City, Binh Duong, Dong Nai, Ba Ria - Vung Tau

2. Literature Review
The question is, why do some businesses succeed and others fail? Are there big factors that influence that success? There has been a lot of research in the past aimed at uncovering the success factors of SMEs. In Storey (1994) [20] "Small Business Insights". Storey has analyzed the formation, development, and management contributions of UK small businesses. The study explores the differences that SMEs face in the business environment, while assessing the success or failure of businesses depending on the environment, including factors such as entrepreneurship, strategy, management, organizational culture, finance. Research by Chittithaworn *et al*. (2011) [4] on "Factors affecting SME business success in Thailand" selected the business success factor as the dependent variable and the independent variable is: Entrepreneurship, management and know-how, products and services, customers and markets, ways of doing business and cooperation, resources and finance, strategy and external environment for research.

The study by Islam *et al* (2011) [10] on "The effect of entrepreneurship and corporate characteristics on SMEs' success in Bangladesh" studied a 300-vote sample from SMEs from localities such as Narayangonj, Khulna and Chittagong in Bangladesh represent a large number of SMEs in Bangladesh. The results of the analysis show that only one of the demographics and uptime of an SME has a significant impact on the business success of SMEs. SMEs that operated for a long time were more successful compared to firms that operated for a shorter period. In addition, the independent sample tested shows that gender plays an important role in the business success of SMEs in Bangladesh. In the research model of Marom and Lussier (2014) [12] on "Model that predicts the success and failure of SMEs in Israel" in the study, the method is survey and previous studies that by Lussier (1995). Data collection consisted of 340 firms selected through random selection in six industrial zones and commercial centers in the northern region of Israel, over a three-month period. There are 205 completed and usable surveys of which: 104 (51%) classified as successful business and 101 (49%) classified as failed business were included for analysis. statistical. Firms that were operational at the time of study where were called success, while businesses that went bankrupt and ceased operations were called failures. The model includes all 15 defined variables. Research results show that if small businesses have sufficient capital, maintain and control their finances well, have managerial experience, have a specific plan, take advantage of advice from an educated, expert. High, doing well in human resources, having good products / services, having partners, having good marketing skills, they will increase their chances of success.

3. Factors that affect success
Based on the research point of view of Marom and Lussier (2014) [12], S / F with 15 variables is significant in different countries and different success factors in different countries (Benzing *et al*. the, 2009). In the study by Al-Tit *et al*. (2019) for SMEs to develop sustainably, it was shown that 04 groups (in 6 groups) are very important to the success of SMEs: individual factors, weak management factors, business support and available capital. Therefore, the main research hypothesis of the study will be based on important characteristics of the factors of these studies, in which 6 factors in the group of factors are: Management (QL), ability marketing (KNTT), access to technological innovation (TCDMCN), supported by the government (HTCCP), finance (TC) and social responsibility (CSR) to consider forming the theoretical framework of the study.

H1: Business management factors have a positive impact on the success of SMEs.

H2: Technological access & innovation has a positive impact on the success of SMEs.

H3: Factor marketing ability has a positive impact on the success of an SME.

H4: The Government Assistance Factor has a positive impact on SME success

H5: The Government Assistance Factor has a positive impact on SME finances

H6: Financial factors have a positive impact on the success of SMEs.

H7: Corporate social responsibility has a positive impact on corporate finances

H8: Corporate social responsibility has a positive impact on

corporate success

4. Research Methods
In this research context, when a large number of research hypotheses need to be tested, the appropriate research method is the quantitative method. However, the concepts in the model are still new in Vietnam, so these concepts need to be evaluated and built to be more suitable with specific conditions in Vietnam. In this case, the appropriate research method is qualitative research. From the above analysis shows, methodological mixture is research strategy most suitable for studies on tumors, including qualitative research to adjust the scale and quantitative research to test the hypothesis. In the study, the author uses expert interviews and group discussions to complete the research model and verify that the theoretical bases in the model are consistent with the thoughts of SME managers in Southeast provinces or not. Expert interview and group discussion with 10 experts, including 2 groups: group 1 includes 6 scientists. Criteria for selecting experts: being a scientist with a doctorate, an associate professor's degree, a professor teaching subjects related to the business field at some universities with training in Business Administration to complete: Theoretical basis, the research model proposed by the author and the scales of the topic; Group 2 consists of 4 members who are leaders, management is representing SMEs: The Board of Directors, Board of Directors, Head of the Division of SMEs are the group representing people with practical knowledge in the field of operation. Activities of SMEs
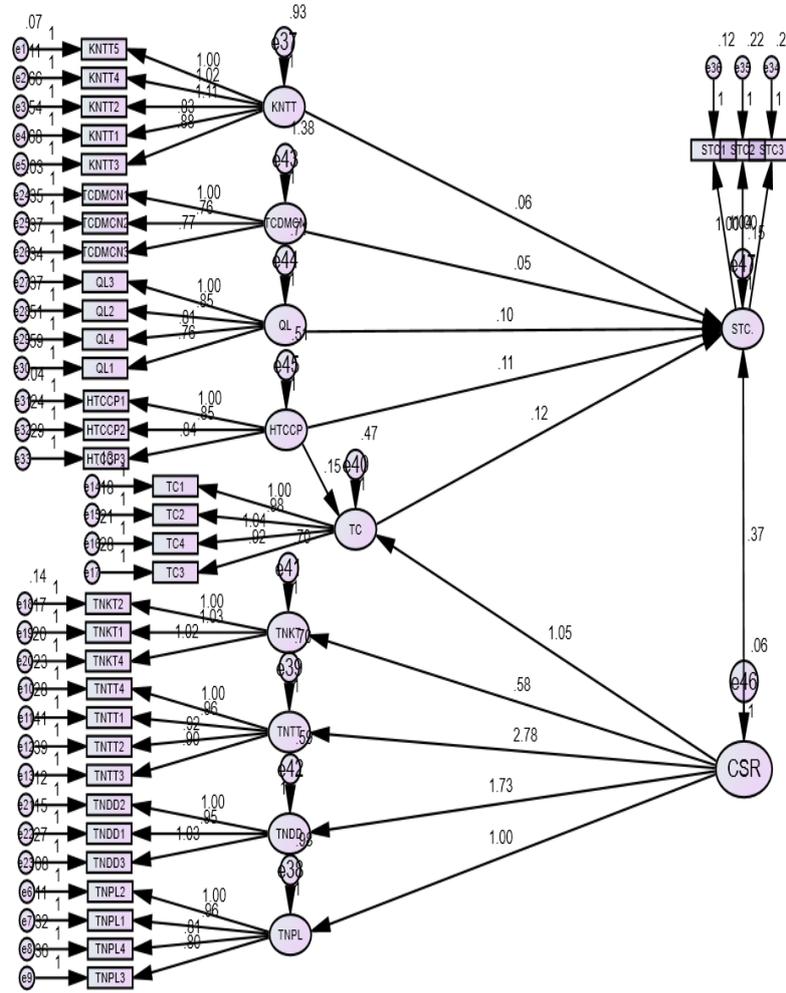
5. Research results
Research results show that in the fields of business, the enterprises in the industries account for the highest proportion with 111 enterprises, accounting for 31.1%, followed by the industries of manufacturing, exploitation and installation. assembly and operation of machines... accounting for 22.9%, the livestock and farming sector 19.1%, followed by information technology, programming, testing, systems... accounting for 10.9 The rest of the companies in the fields of finance, securities, banking... accounted for the lowest 9.3%.

Regarding the time of business operation: from 3-5 years, there are 68 SMEs, accounting for 19%, from 5-10 years there are 146 SMEs, accounting for 40.9%, and the rest is from 10 years or more, accounting for 40.1%. Regarding the type of business, the majority of businesses surveyed were joint stock companies accounting for 31.1%, followed by limited liability companies with 26.6%, and private enterprises at 25. The remaining 8% of other establishments accounted for 16.5%. Survey data shows that there are similarities between types of businesses. Regarding management positions, the Board of Directors accounts for at most 34.5% of the people surveyed, followed by the General Director 32.2%, the remaining 33.3% are the department heads accounting for the least. Survey data shows similarities in the survey between locations. Regarding a management seniority of 10-15 years, the number of years surveyed accounts for the highest percentage of 30%, followed by 25.8% of people surveyed with a management seniority of 5-10 years. 20.2% of respondents have the number of years under management is less than 5 years, the remaining 24.1% of respondents have the number of years of management over 15 years.

5.1 Test theoretical model

Based on the results of CFA affirmative factor analysis, it shows that the scales in the research model all reach the appropriate level through the criteria: convergent value, discriminant value, combined reliability and quote variance. Therefore, the hypotheses in the official research model do not change. SEM results of the theoretical model show that the theoretical model achieves the compatibility with market data through the following indexes: Chi- square = 782.385, degrees of freedom df = 582 (P = 0.000), Chi - square / df = 1.344 <5, GFI = 0.896, TLI = 0.976, CFI = 0.978 and RMSEA = 0.031. Only GFI = 0.896 is less than 0.9, but according to Baumgartnera and Homburgb (1996) [1]; Doll *et al*. (1994) depend a lot on the scale, the sample size observation index makes it difficult to reach 0.9. However, if it is between 0.8-0.9, it is still acceptable.

Source: Research results of the author

Fig 1: Results of SEM research model

The estimated results of the parameters show that these causal relationships are statistically significant (p<5%). Particularly, the impact of the Social Responsibility factor (CSR) on the success is not statistically significant (P_value = 0.071> 0.05).

Table 1: The results of the estimation of the causal relationship of the model

			Estimate	SE	CR	P
STC.	<---	QL	0.101	0.033	3,052	0.002
STC.	<---	TC	0.125	0.042	2,967	0.003
STC.	<---	HTCCP	0.106	0.037	2,851	0.004
TC	<---	HTCCP	0.147	0.058	2,553	0.011
STC.	<---	TCDMCN	0.052	0.022	2,347	0.019
TC	<---	CSR	1,055	0.464	2.274	0.023
STC.	<---	KNTT	0.059	0.027	2.206	0.027
STC.	<---	CSR	0.369	0.205	1,804	0.071

Source: Research results of the author

Table 2: General, indirect and direct effects (standardized)

	Impact	QL	TCDMCN	KNTT	HTCCP	TC	CSR
TC	Direct				0.147		1,055
	Indirect				0.000	0.000	0.000
	Synthetic				0.147	0.000	1,055
STC	Direct	0.101	0.052	0.059	0.16	0.125	0.369
	Indirect	0.000	0.000	0.000	0.018	0.000	0.132
	Synthetic	0.101	0.052	0.059	0.124	0.125	0,501

Source: Research results of the author

1. Government support directly and indirectly affects the STC through a financial factor
2. CSR directly and indirectly affects the STC through the financial factor

In terms of direct impact, the financial factor has the strongest and same positive impact on the success of SMEs in the Southeastern provinces (standardized weight 0.125), while management and government support. Having less impact factors of 0.11 and 0.16 respectively. Factors: Ability to market and access to technology innovation, with standardized weights are 0.059, 0.052.

In addition, the Social Responsibility factor also has a direct impact on the financial factor with a standardized weight of 1,055 affecting the STC (90% confidence level) of 0.369 and the direct impact of the Government Support factor. Next to the Financial factor is the standardized weight 0.147. In terms of indirect effects, the factor Social Responsibility influences success through financial factors with normalized weight with standardized weight of 0.132. The Government Aid factor indirectly affects Success through the financial factor with a standardized weight of 0.018.

Thus, in addition to the direct impact on the Success, the Government Support factor also indirectly affects the success through the financial factor. And the factor Social Responsibility only indirectly affects the success through financial factors.

Regarding the aggregate impact, the factor of Corporate Social Responsibility is considered to have the strongest impact on the success of the enterprise (general normalized weight 0,501), followed by the financial factor with in the standardized number. The aggregate is 0.125, the 3rd most powerful factor in the study is the Government Support factor with the impact factor of 0.124, the 4th place is the Management factor with the combined impact factor. Success is 0.101, the last two positions are Marketing Ability, Approach to technological innovation and have aggregate impact coefficients t of 0.059 and 0.052.

5.2 Estimation of theoretical model using Bootstrap (1000)

Table 3: Estimated results (standardized) using Bootstrap

Correlate		Estimates	SE	SE-SE	Mean	Bias	SE-Bias	CR
QL	→STC	0.110	0.056	0.002	0.109	-0.001	0.003	-0.33
TCDMCN	→STC	0.111	0.042	0.001	0.112	0.000	0.002	0
KNTT	→STC	0.105	0.046	0.001	0.103	-0.001	0.002	-0.5
HTCCP	→STC	0.074	0.038	0.001	0.073	-0.001	0.002	-0.5
HTCCP	→TC	0.108	0.037	0.001	0.107	-0.001	0.002	-0.5
TC	→STC	0.206	0.071	0.002	0.210	0.004	0.003	1.33
CSR	→TC	0.287	0.061	0.002	0.284	-0.003	0.003	-1

Source: Research results of the author

Note: SE is the standard deviation, SE-SE is the standard deviation of the standard deviation, Bias is the deviation, and SE-Bias is the standard deviation of the deviation. In this case bootstrap is a suitable alternative (Schumacker and Lomax,

1996) [18]. Bootstrap is an alternative resampling method in which the original sample plays the role of the crowd. Therefore, in this study, the author uses the bootstrap method with the number of repeated samples N = 1000. Estimated results by bootstrap with N = 1000 are averaged together showing that bias appears but very small, absolute value of CR <1.96 value implies p-value> 5%. Therefore, it can be concluded that the estimates in the research model are reliable.

5.3 Testing research hypothesis
After testing the theoretical model estimates and the estimation test using the bootstrap model,

Table 4: Results of testing the differential value between the factors in the critical model

			Estimate	SE	CR	P
STC.	<-	QL	0.101	0.033	3,052	0.002
STC.	<-	TC	0.125	0.042	2,967	0.003
STC.	<-	HTCCP	0.106	0.037	2,851	0.004
TC	<-	HTCCP	0.147	0.058	2,553	0.011
STC.	<-	TCDMCN	0.052	0.022	2,347	0.019
TC	<-	CSR	1,055	0.464	2.274	0.023
STC.	<-	KNTT	0.059	0.027	2.206	0.027
STC.	<-	CSR	0.369	0.205	1,804	0.071

Source: Research results of the author

Test hypothesis H1: Management in business has a positive impact on the success of SMEs. From the SEM analysis results, it shows that the normalized regression coefficient is nonzero and has a positive sign (+), representing a positive relationship between Management and Success. With significance level P = 0.002; coefficient β = 0.101; SE = 0.033 means that hypothesis H1 is accepted by experimental data. This shows that the management factor in business has a positive impact on the success of SMEs

Test hypothesis H2: Technological Innovation Approach factor (TCDMCN) has a positive impact on the success of SMEs. From the results of SEM analysis, it shows that the normalized regression coefficient is zero and has a positive sign. (+) shows a positive relationship between TCDMCN and Success. With significance level P = 0.019; coefficient β = 0.052; SE = 0.022 means that hypothesis H2 is accepted by experimental data. This shows that the TCDMC factor has a positive impact on the success of SMEs

Test hypothesis H3: Marketing ability has a positive impact on the success of SMEs. From SEM analysis results show, With significance level P = 0.027; coefficient β = 0.059; SE = 0.027 means that hypothesis H3 is accepted by experimental data. This shows that the marketing ability factor has an impact on success.

Test hypothesis H4: Government Support factor has a positive impact on SME success. From the SEM analysis results, the normalized regression coefficient is zero and has

a positive sign (+) demonstrates the positive relationship between Government Aid and Success. With significance level P = 0.044; coefficient β = 0,106; SE = 0.037 means that hypothesis H4 is accepted by experimental data. This shows that the Government Support factor has a positive impact on the success of SMEs

Test hypothesis H5: The Government Support Factor has a positive impact on SME finances. From the SEM analysis, the normalized regression coefficient is zero and has a positive sign (+) demonstrates a positive relationship between Government Assistance and Finance. With significance level P = 0.011; coefficient β = 0.147; SE = 0.058 means that hypothesis H5 is accepted by experimental data. This shows that the Government Support factor has a positive impact on SME finances

Test hypothesis H6: Financial factors have a positive impact on the success of SMEs. From the SEM analysis results, it shows that the normalized regression coefficient is zero and carries a positive sign (+), indicating the relationship. The relationship between TC and Success. With significance level P = 0.003; coefficient β = 0.125; SE = 0.042 means that hypothesis H6 is accepted by experimental data. This shows that the TC factor has a positive impact on the success of SMEs

Test hypothesis H7: Corporate social responsibility perception (CSR) has a positive impact on the company's finance. From the SEM analysis, it shows that the standardized regression coefficient is not and have a positive sign (+), representing a positive relationship between CSR and Finance. With significance level P = 0.023; coefficient β = 1,055; SE = 0.464 means that hypothesis H7 is accepted by experimental data. This shows that the CSR factor has a positive impact on the success of SMEs

Test hypothesis H8: Corporate social responsibility awareness has a positive impact on the success of the business. From SEM analysis results show, with significance P = 0.071; coefficient β = 0.369; SE = 0.205 means that the H8 hypothesis is not accepted at 5% by experimental data. However, with this P_value = 0.071 we can accept at the 10% significance level. In some research areas like health, health is usually around 1%; in social sciences it is normally 5% but also acceptable at 10%. Because according to Hair *et al* (2009) [7]; Hazelrigg (2009) [8] both suggested that the determination of the significance level represents the chance that the researcher is willing to accept the error in estimating the non-zero coefficient. The commonly used values are 5%. When the researcher wants the false probabilities to be smaller or greater (10%), it allows for a greater false probability. There are also many empirical studies on Social Responsibility that have an impact on SME success (Carroll, 1979; Klasen *et al*., 1996; Russo and Fouts, 1997; Simpson and Kohers, 2002; Saeidi and associates, 2015) [3, 17, 19, 17], therefore, it is acceptable to accept the 10% significance level in this study for this relationship.

6. Conclusion
Firstly, on financial issue, it is proposed that the State should have credit support packages specifically for the SME sector. At the same time, there are policies to support interest rates exemption and reduction, loan interest extension, and delay of bank interest payments for SMEs, especially the situation affected by the recent Covid-19 epidemic. In addition, it is necessary to extend the time to pay taxes such as personal income tax, value-added tax, corporate income and, if necessary, abolish penalties for late payment of taxes for SMEs facing difficulties in last year. The State should concurrently and synchronously promulgate policies to best support enterprises to facilitate production and business, stimulate economic demand and attract investment such as: simplifying players administrative procedures, import and export procedures, reduce the rate of customs inspection to the lowest level to speed up customs clearance and reduce costs for businesses to reduce land rent in the following years, reduce electricity prices...The Government needs to link and cooperate to develop regions and regions: it is necessary to strengthen the linkage to develop the region, to have a specific plan for each industry group, local region, and each locality for focused and appropriate investment. Suitable with the daily life characteristics and customs of each locality, especially in infrastructure development such as quickly building arterial roads, national highways connecting industrial parks and residential industrial clusters. satellite provinces, quickly improve urban traffic, upgrade airports, at the same time prepare conditions for building a new international airport; to quickly upgrade the Saigon port cluster, upgrade and build a new cluster of ports and existing river ports. To develop a system of stations, railways and subways connecting regions and regions for convenient mobility; improve, upgrade and build good water supply and drainage systems, concentrated industrial zones, ensure the demand for clean water for production and business. Besides, it is necessary to develop and improve the effective quality of the education and training system to raise the people's knowledge and meet the human resources for the industrialization and modernization needs of the region and the country. To create an open investment environment in order to attract more foreign capital sources and investment forms as well as for the development of scientific and technological research in the region.

Limitations and directions for the next research
First, the research model is built on only 7 factors in the internal and external environment that affect the success of SMEs. However, there may still be other potential factors that influence the success of SMEs that have not been included in this research model. Further studies need to consider additional factors such as: Facilities; Human Resources; culture, brand, demographics... to increase the explanation of the research model. Second, given that the sample size of 400 is not large and was collected for SMEs in the Southeast provinces, the results of the study cannot be generalized to represent SMEs in Vietnam. Therefore, it is necessary to increase the number of observations in order to reduce the errors in the test as well as the errors of the research model. Therefore, the study of SME Success is viewed in a variety of sectors and other approaches such as direct business people or SME policy makers will be available. Other research results contribute more. Third, some concepts in the research model are correlated with each other, but theoretically, in practice, they can be strongly correlated with each other. Therefore, the next studies can test the relationship between these concepts. Further research directions should continue to develop relationships around social responsibility combined with environmental factors to further clarify this complex structure. At the same time, CSR is a difficult to measure variable, with many changes depending on the level of economic and social development of each region in each country, as well as positive public

awareness of this. Very clear. Some previous studies have suggested that the public often considers corporate social responsibility activities to be self-interested (Yoon *et al.*, 2006) [21]. That is why the social responsibility of SMEs needs to be studied further in the future, it is necessary to further study different stakeholders, different topics as well as different methods to better understand this topic.

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