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CÁC NHÂN TỐ ẢNH HƯỞNG ĐẾN HOẠT ĐỘNG CHO VAY KHÁCH HÀNG CÁ NHÂN TẠI NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN ĐÔNG NAM Á - CHI NHÁNH ĐỒNG NAI – PHÒNG GIAO DỊCH HỐ NAI

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TỪ KHÓA

Sự hài lòng khách hàng;
Chất lượng dịch vụ ngân hàng;
Quản trị rủi ro;
Tiện ích công nghệ số;
SeABank;

TÓM TẮT

Nghiên cứu này nhằm xác định và đo lường các nhân tố ảnh hưởng đến hoạt động cho vay khách hàng cá nhân tại Ngân hàng TMCP Đông Nam Á (SeABank) – Chi nhánh Đồng Nai, Phòng giao dịch Hố Nai. Trên cơ sở tổng quan lý thuyết và nghiên cứu định tính, mô hình nghiên cứu đề xuất 6 nhân tố tác động gồm: chính sách tín dụng, lãi suất cho vay, chất lượng dịch vụ ngân hàng, sự thuận tiện và ứng dụng công nghệ số, năng lực tài chính và uy tín tín dụng của khách hàng, cùng chính sách quản trị rủi ro. Dữ liệu được thu thập từ 485 khách hàng cá nhân đang sử dụng dịch vụ tín dụng và được phân tích bằng các phương pháp Cronbach's Alpha, EFA, tương quan Pearson và hồi quy tuyến tính bội. Kết quả cho thấy cả 6 yếu tố đều tác động cùng chiều và có ý nghĩa thống kê đối với hoạt động cho vay khách hàng cá nhân. Trong đó, chính sách quản trị rủi ro và sự thuận tiện, ứng dụng công nghệ số là hai yếu tố có ảnh hưởng mạnh nhất, tiếp đến là chất lượng dịch vụ ngân hàng. Từ kết quả nghiên cứu, bài viết đề xuất một số hàm ý chính sách nhằm nâng cao hiệu quả cho vay, tăng cường trải nghiệm khách hàng và phát triển tín dụng bán lẻ bền vững tại đơn vị.

FACTORS AFFECTING PERSONAL LENDING ACTIVITIES AT SEABANK - DONG NAI BRANCH - HO NAI TRANSACTION OFFICE

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ABSTRACT

This study aims to identify and measure the factors affecting individual lending activities at Southeast Asia Commercial Joint Stock Bank (SeABank) – Dong Nai Branch, Ho Nai Transaction Office. Based on a literature review and qualitative research, the proposed research model includes six influencing factors: credit policy, lending interest rates, banking service quality, convenience and digital technology application, customers' financial capacity and creditworthiness, and risk management policy. Data were collected from 485 individual customers using credit services and analyzed using Cronbach's Alpha, Exploratory Factor Analysis (EFA), Pearson correlation, and multiple linear regression. The findings indicate that all six factors have a positive and statistically significant impact on individual lending activities. Among them, risk management policy and convenience, combined with the application of digital technology, exert the strongest effects, followed by banking service quality. Based on these results, the study proposes several managerial implications to improve lending efficiency, enhance the customer experience, and promote the sustainable development of retail credit activities at the unit level.

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1. INTRODUCTION

Personal lending has become a strategic business line for commercial banks because it helps diversify income sources, deepen customer relationships, and expand the retail banking franchise. Unlike large corporate loans, personal lending is closely associated with everyday financial needs such as housing, education, medical care, durable goods purchases, family consumption, and small business financing [1, 2]. As competition in the Vietnamese banking sector intensifies and customers become more sensitive to speed, convenience, and transparency, banks must continuously improve how they design and deliver lending products [3, 4].

At SeABank - Dong Nai Branch, Ho Nai Transaction Office, personal lending has recorded positive growth. Internal lending statistics presented in the paper indicate that outstanding personal loans rose from VND 4.732 trillion in 2023 to VND 5.247 trillion in 2024, equivalent to a growth rate of 10.88%. However, this rate remained lower than the growth of other credit segments and the branch's total credit growth. This means the unit still has considerable room to expand its personal lending business if it can better understand customer expectations and remove process barriers.

In practice, personal lending performance is influenced by a set of interrelated factors. Customers are concerned not only with interest rates, but also with whether credit policies are transparent, whether the application process is simple, whether staff are responsive and supportive, whether digital channels reduce waiting time, and whether the bank's risk procedures are professional and fair [2, 4, 5]. From the bank's perspective, these determinants affect not only customer acquisition and satisfaction but also credit quality, screening efficiency, and the sustainability of retail-lending expansion.

The original master paper addressed this problem by measuring the factors affecting personal lending activities at SeABank - Ho Nai Transaction Office. The present paper condenses the original paper into a journal-style article in English for publication in the Journal of Science of Lac Hong University. The article retains the most important empirical evidence, restructures the sections according to the model, and focuses on findings that are directly useful for publication and managerial application.

The objective of the article is therefore twofold: first, to identify the factors affecting personal lending activities at SeABank - Ho Nai Transaction Office; second, to quantify the impact level of each determinant and propose practical implications for improving retail credit operations. The study is meaningful because it translates an institution-specific case into broader insights for Vietnamese commercial banks that are strengthening consumer and household lending during the digital-transformation era.

2. LITERATURE REVIEW AND RESEARCH MODEL

2.1 Literature review

Bank lending can be understood as the temporary transfer of the right to use capital from a bank to a borrower under the principle of repayment of principal and interest. In commercial banking, personal lending refers to loans provided to individuals, households, and small business owners for both consumption and income-generating purposes. The quality and effectiveness of this activity depend on the interaction between financial conditions, institutional arrangements, customer characteristics, and service-delivery mechanisms.

Classical banking theory emphasizes policy consistency, prudent appraisal, and repayment capacity, while the service management literature highlights responsiveness, convenience, trust, and customer experience. These approaches are complementary in retail credit. A bank may offer competitive rates, but if procedures are unclear, if staff are not supportive, or if digital touchpoints are weak, the lending experience becomes less attractive. Conversely, a professionally managed process can improve customer confidence even when formal lending conditions are not the lowest in the market [1, 5].

Prior studies of retail banking show that personal borrowing decisions are affected by service quality, reputation, convenience, interest costs, and process simplicity. Studies cited in the paper suggest that customers compare not only product features but also advisory quality, access conditions, and the perceived fairness of bank policies. The paper also draws on broader service-quality thinking, as represented by Parasuraman and colleagues, and adapts these insights to the lending context.

In addition to traditional theories of lending and banking operations, this study is grounded in two influential service quality frameworks: SERVQUAL and SERVPERF. According to Parasuraman et al. [2], SERVQUAL explains service quality through the gap between customers' expectations and their perceptions of actual service delivery. The model highlights five core dimensions, including reliability, responsiveness, assurance, empathy, and tangibles. Meanwhile, other studies [3] proposed the SERVPERF model, which measures service quality directly through perceived service performance, and argue that this approach is better suited to explaining customer evaluations. In retail banking, these two models provide an important theoretical basis for understanding how customers perceive and evaluate service quality during lending transactions. Therefore, the present study uses these models as supporting foundations for developing the banking service quality factor in the proposed research model.

2.2 Research model and hypothesis development

Credit policy reflects the set of principles, standards, and procedures used by the bank to guide lending decisions. For borrowers, this factor includes transparency of conditions, flexibility of terms, collateral requirements, approval rules, and time required to complete the process. A clear, appropriate credit policy can increase customer confidence and reduce uncertainty in loan applications. Hence, H_1 proposes that credit policy positively affects personal lending activities [7].

Lending interest rate is the direct cost of borrowing and therefore remains one of the most visible decision criteria for customers. Reasonable, stable, and transparent rates

can improve loan affordability and strengthen the bank's competitiveness. Consequently, H_2 proposes that the loan interest rate positively affects personal lending activities [8].

Banking service quality concerns the professionalism, response speed, clarity of advice, and post-loan support provided by lending staff. In retail banking, customers often evaluate the entire borrowing journey through their interaction with frontline employees. Thus, H_3 proposes that banking service quality positively affects personal lending activities [3, 9].

Convenience and digital technology application represent the extent to which customers can access information, submit documents, receive notifications, track disbursements or repayments, and interact with the bank through digital channels. In the digital era, this factor is increasingly central to customer expectations [4, 10]. Therefore, H_4 proposes that convenience and the application of digital technology positively affect personal lending activities.

Customers' financial capacity and creditworthiness describe a borrower's income stability, repayment ability, and previous credit history. These characteristics affect the feasibility and sustainability of a loan from both the bank's and the customer's perspectives [6, 11]. Accordingly, H_5 proposes that customers' financial capacity and credit reputation positively affect personal lending activities.

Risk management policy refers to the bank's procedures for appraisal, verification, post-disbursement supervision, and early warning of problematic debt. A strong risk policy protects the bank while also signaling professionalism and safety to customers. Therefore, H_6 proposes that risk management policy positively affects personal lending activities [5, 12]. The model can be illustrated graphically as shown in Figure 1.

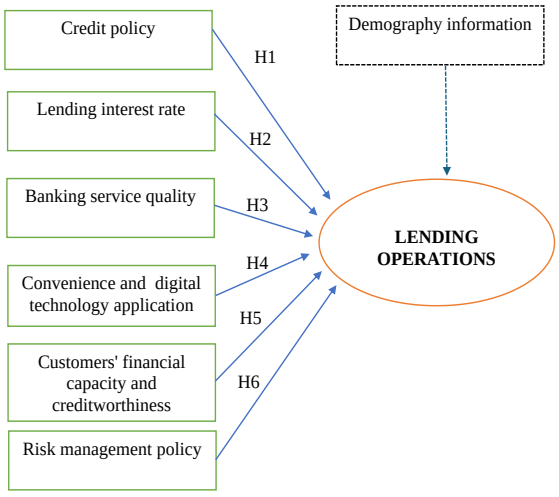


Figure 1. *Research model for six key factors affecting lending operations*

Figure 1 presents the proposed research framework for analyzing the factors influencing lending operations. It shows that lending operations are treated as the dependent variable, while six independent variables are hypothesized to have direct effects on it through H1-H6. These variables include: (1) credit policy, (2) lending interest rate, (3) banking service quality, (4) convenience and digital technology application, (5) Customers' financial capacity and creditworthiness, and (6) risk management policy.

From a conceptual perspective, the model is clear and logically organized. It shows that lending operations are not determined by a single factor, but rather by a combination of policy, service, technology, customer-related, and risk-related dimensions. This reflects the practical reality of modern banking, where lending performance depends not only on financial conditions such as interest rates but also on operational quality, digital transformation, customer readiness, and effective risk control. The framework, therefore, provides a comprehensive basis for empirical testing [6, 13].

In particular, the inclusion of banking service quality and the application of digital technology highlights the growing importance of customer experience and digital banking in improving lending efficiency. At the same time, risk management policy remains a crucial element, since sustainable lending activities require strict control of credit risk and compliance. Credit policy and the lending interest rate are also traditional but highly influential factors in loan decisions and lending performance.

To ensure consistency, all variables are presented uniformly throughout the manuscript, including the conceptual model, hypothesis development, empirical analysis, and discussion. The selected variables are theoretically grounded and practically relevant to the context of personal lending activities at SeABank – Ho Nai Transaction Office.

Overall, Figure 1 is useful because it summarizes the study's hypotheses in a simple visual format and provides a clear direction for the quantitative analysis. It can serve as a solid foundation for developing survey items, testing regression models, and examining the relative impact of each factor on lending operations in a banking context.

3. RESEARCH METHODS

3.1 Qualitative research

The qualitative research phase was conducted to identify, refine, and validate the factors affecting personal lending activities at SeABank – Ho Nai Transaction Office. This stage played an important role in establishing the theoretical foundation of the study and ensuring that the proposed research model was appropriate for the practical context of the banking sector. Initially, the author reviewed previous studies related to customer satisfaction, service quality, digital banking, employee competence, brand image, pricing policy, and risk management. Based on this review, a preliminary research model and draft measurement scales were developed [21].

To improve the model's relevance and clarity, expert discussions and in-depth interviews were conducted with banking managers, relationship officers, and several experienced customers. The purpose of these discussions was to assess whether the observed variables were understandable, meaningful, and suitable for measuring customer perceptions of SeABank's services. Feedback from participants helped adjust the wording of questionnaire items, remove overlapping expressions, and supplement indicators that better reflected actual banking operations.

The qualitative research results were used to refine and confirm the variables included in the proposed research model. Based on the literature review and expert discussions with bank managers, credit officers, and individual borrowers, the study confirmed six independent variables affecting personal lending activities, namely credit policy, convenience and digital technology application, banking service quality, risk management policy, lending interest rate, and customers' financial capacity and creditworthiness. The dependent variable was identified as personal lending activities. The qualitative findings also helped adjust the wording of observed variables to ensure clarity, consistency, and suitability for the actual lending context at SeABank – Ho Nai Transaction Office.

3.2 Quantitative research

The quantitative research phase was conducted to test the measurement scales, verify the proposed hypotheses, and determine the influence of each factor on lending operations for individual customers at the SeABank – Ho Nai Transaction Office. Following the qualitative stage, the official questionnaire was developed and used as the primary data collection instrument [21]. The study adopted a deductive, objective research approach, in which the relationships among variables were examined using numerical data and statistical analysis. According to the paper, the quantitative phase focused on six independent variables and one dependent variable, and the data were processed using SPSS 20.0 through descriptive statistics, reliability testing, exploratory factor analysis, correlation analysis, multiple linear regression, and ANOVA.

3.2.1 Sampling and data collection

This study used a non-probability sampling method, specifically controlled convenience sampling, to collect data from individual customers who use credit services at the SeABank – Ho Nai Transaction Office. According to the paper, the research model included 28 observed variables, so the minimum required sample size was 140 observations, based on the rule of at least 5 observations per variable. To improve reliability and support factor analysis, the author distributed 500 questionnaires to customers from different occupational and age groups who were directly using lending services at the branch. After screening and removing incomplete or invalid responses, 485 valid questionnaires were retained for formal analysis. This final sample exceeded the minimum requirement, enhancing the robustness of the statistical results and the generalizability of the findings.

The minimum sample size required for multiple regression is $n > 8m + 50$, where $m$is the number of independent variables. Since this study employs 6 independent variables, the minimum required sample size is 98 observations. The final sample of 485 valid responses, therefore, satisfies this requirement and is appropriate for regression analysis [22].

3.2.2 Measurement and reliability testing

The quantitative measurement model was developed from the qualitative findings and prior studies, then operationalized through a structured questionnaire using a five-point Likert scale. In the paper, the research model comprised six independent constructs and one dependent construct, yielding a total of 28 observed variables. The independent variables included credit policy, lending interest rate, banking service quality, convenience, and digital technology application, customer-related capability, and risk management policy, while lending operations served as the dependent variable. This measurement design enabled the study to capture customers' perceptions of the major determinants of lending performance at SeABank – Ho Nai Transaction Office.

To assess the internal consistency of the scales, Cronbach's alpha was first used. Following common acceptance criteria, items with corrected item-total correlation above 0.3 and scales with Cronbach's Alpha greater than 0.6 were considered acceptable for further analysis. The results reported in the paper indicate that all scales demonstrated strong reliability, and no variables had to be removed. Specifically, Cronbach's Alpha (CA) values of 0.70 or above indicate acceptable internal consistency reliability. Therefore, this study adopted the threshold of CA ≥ 0.70, together with corrected item-total correlation > 0.30, to evaluate the reliability of the scales. In addition, the corrected item-total correlations for the observed variables were all above the minimum threshold, confirming good internal consistency within each construct [21].

Because all measurement scales satisfied the reliability requirements, the full set of observed variables was retained for Exploratory Factor Analysis (EFA) and subsequent regression analysis. Therefore, the reliability testing results confirmed that the scales were stable, consistent, and appropriate for measuring the research concepts in the empirical context of SeABank – Ho Nai Transaction Office.

3.2.3 Data analysis techniques

The collected data were coded, cleaned, and processed using SPSS 20.0 to test the proposed research model and hypotheses. The analysis procedure followed a sequence commonly used in quantitative banking studies. First, descriptive statistics were used to summarize the demographic characteristics of the respondents, including gender, age, income, occupation, and borrowing experience. This step provided an overview of the sample structure and supported the interpretation of subsequent analytical results.

Second, the reliability of the measurement scales was assessed using Cronbach's Alpha. This technique was applied to examine the internal consistency of the observed variables within each construct. Items with low item-total correlation would normally be removed; however, according to the paper results, all scales met the reliability threshold and were retained for further analysis.

Third, Exploratory Factor Analysis (EFA) was conducted to evaluate the construct validity of the scales and to confirm whether the observed variables were grouped into meaningful factors as expected in the research model. The suitability of EFA was assessed through the KMO measure and Bartlett's Test of Sphericity. Factor loading, Eigenvalue, and Total

Variance Explained were also considered to determine whether the factor structure was acceptable [21].

Fourth, Pearson correlation analysis was used to examine the linear relationships between the independent variables and the dependent variable before regression analysis. After that, multiple linear regression was performed to estimate the direction and magnitude of the independent variables' effects on lending operations. Standardized beta coefficients, significance levels, R, adjusted R^2, and multicollinearity indicators such as VIF were used to evaluate the model and test the hypotheses.

Finally, independent-samples t-tests and one-way ANOVA were employed to examine whether lending operation evaluations differed significantly across customer groups with different demographic characteristics. This helped the study identify whether customer perceptions varied by gender, age, income, or occupation, thereby enriching the practical implications of the research findings.

4. RESEARCH RESULTS

A total of 500 questionnaires were distributed to individual customers who used lending services at the SeABank – Ho Nai Transaction Office. After screening and removing incomplete or invalid responses, 485 valid questionnaires were retained for analysis. This valid sample provided a reliable basis for evaluating the factors affecting individual lending operations.

Regarding gender, female respondents accounted for 59.2% of the sample, while male respondents represented 40.8%. This result indicates that women constituted a larger share of individual borrowers in the survey, suggesting their active participation in household finance, small business activities, and personal credit demand. In terms of income, customers with a monthly income of VND 10 million or less accounted for the largest proportion, at 40.4%, followed by those earning above VND 15 million, at 34.2%. Meanwhile, the group earning below VND 5 million accounted for only 4.7%, implying that low-income customers had more limited access to formal bank credit.

With respect to age, the largest group was customers aged 35 to under 45, accounting for 53.0%, followed by the 25 to under 35 age group at 24.5%. These are the main working-age groups with relatively stable incomes and substantial borrowing demand for housing, business expansion, education, healthcare, and major consumption. Customers aged 45 to 55 represented 10.9%, while those aged 55 and older accounted for 5.4%.

In terms of occupation, officers and salaried employees constituted the largest proportion at 31.8%, followed by customers engaged in trading and small business at 27.4%. Manual workers accounted for 19.4%, retirees for 11.8%, and other occupations for 9.7%. Overall, the sample structure was diverse and reasonably representative, reflecting different groups of individual borrowers and supporting the robustness of the subsequent empirical analysis.

The result demonstrates that the measurement scales used in the study achieved high reliability and validity. First, the Cronbach's Alpha coefficients range from 0.841 to 0.941, indicating that all constructs have strong internal consistency. Since all values are well above the commonly accepted threshold of 0.7, the observed variables within each factor are sufficiently correlated and can reliably measure the same underlying concept. This result confirms that the questionnaire items are stable and appropriate for further statistical analysis.

Table 1. *Summary of Cronbach's Alpha results of factors*

Indicator	Value	Interpretation
Cronbach's Alpha range	0.841 - 0.941	All scales are reliable
KMO	0.800	Adequate sample for EFA
Bartlett's test	Sig. = 0.000	Variables are correlated enough
Number of extracted factors	6	Consistent with the conceptual model
Total variance explained	80.524%	Very strong explanatory structure

(Source: Survey data from 485 individual customers at SeABank – Ho Nai Transaction Office, 2026)

Table 1 shows that the Kaiser-Meyer-Olkin (KMO) value of 0.800 shows that the sample is adequate for Exploratory Factor Analysis (EFA). A KMO value above 0.8 is generally considered good, suggesting that the data structure is suitable for identifying meaningful latent factors. In addition, Bartlett's Test of Sphericity yields a p-value of 0.000, indicating that the observed variables are significantly correlated. Therefore, factor analysis is statistically justified.

The EFA results further reveal that six factors were extracted, which are fully consistent with the proposed conceptual model. This finding indicates that the empirical data support the study's theoretical framework and that the observed variables are grouped into factors in a logically coherent manner. More importantly, the total variance explained reaches 80.524%, which is a very high level in social science research. This means that the six extracted factors explain a substantial portion of the dataset's variation.

Overall, the results in Table 1 provide strong evidence that the scales are both reliable and valid. They also confirm that the measurement model is robust enough to be used in subsequent correlation and regression analyses.

Pearson correlation analysis was conducted before regression analysis to assess the direction and strength of the linear relationships among variables **(in Table A1)**. The results indicate that all independent variables are positively correlated with personal lending activities, with statistically significant coefficients ranging from 0.322 to 0.505. In particular, risk management policy (X4) has the strongest correlation with the dependent variable (r = 0.505, Sig. = 0.000), followed by credit policy (X1) (r = 0.462, Sig. = 0.024) and convenience and digital technology application (X2) (r = 0.454, Sig. = 0.000). The remaining variables, including banking service quality

(X3), loan interest rate (X5), and customers' financial capacity and creditworthiness (X6), also show positive and statistically significant relationships with the dependent variable. Moreover, the correlations among the independent variables are not excessively high, suggesting that multicollinearity is unlikely to be a serious issue. Thus, the Pearson correlation results support the inclusion of all six independent variables in the regression model.

Table 2. *Results of multiple linear regression analysis*

Factor	B	Std. Error	Beta	Sig.	VIF
Constant	0.607	0.109		0.000	
Credit policy (X1)	0.095	0.017	0.160	0.000	1.124
Convenience and digital technology (X2)	0.265	0.020	0.420	0.000	1.286
Banking service quality (X3)	0.130	0.012	0.304	0.000	1.091
Risk management policy (X4)	0.209	0.014	0.423	0.000	1.123
Loan interest rate (X5)	0.091	0.013	0.215	0.000	1.190
Financial capacity and credit reputation (X6)	0.054	0.018	0.097	0.002	1.310
Model summary	**R = 0.797**	**Adj. R^2 = 0.631**	**F = 138.737**	**Sig. = 0.000**	**DW = 1.868**

(Source: Survey data from 485 individual customers at SeABank – Ho Nai Transaction Office, 2026)

Table 2 indicates that the multiple linear regression model is statistically significant and has strong explanatory power. The model summary shows R = 0.797 and Adjusted R^2 = 0.631, meaning that the six independent variables explain 63.1% of the variation in the dependent variable. This is a relatively high-level explanation of research on banking and customer behavior. In addition, the F value of 138.737 with Sig. = 0.000 confirms that the overall regression model is appropriate and that the independent variables jointly have a significant effect on lending operations.

All six factors have positive, statistically significant impacts on the dependent variable, as indicated by p-values below 0.05. Among them, risk management policy (Beta = 0.423) has the strongest influence, followed very closely by convenience and digital technology (Beta = 0.420). This result suggests that effective risk control and the application of digital technology play the most important roles in improving lending performance. The next influential factor is banking service quality (Beta = 0.304), indicating that professional service delivery, responsiveness, and transaction efficiency are also critical determinants.

In addition, loan interest rates (Beta = 0.215) and credit policies (Beta = 0.160) both positively affect lending operations, indicating that transparent lending conditions and reasonable borrowing costs contribute to customers' positive evaluations. Financial capacity and credit reputation (Beta = 0.097) have the smallest effect, although it remains statistically significant.

The regression equation can be written as follows:

$$Y = 0.607 + 0.095X1 + 0.265X2 + 0.130X3 + 0.209X4 + 0.091X5 + 0.054X6$$

Finally, all VIF values range from 1.091 to 1.310, well below the critical threshold, indicating that multicollinearity is not a concern. The Durbin-Watson value of 1.868 also suggests no serious autocorrelation problem in the residuals.

Results of demographic difference tests (in Table A2) show that no statistically significant differences are found in customers' evaluations of personal lending activities by gender, age, or average monthly income, as all corresponding p-values are greater than 0.05. In contrast, occupation shows a statistically significant difference (p = 0.001), suggesting that customers across occupational groups may perceive lending activities differently. This result indicates that occupation is the only demographic characteristic associated with significant variation in the dependent variable, while the remaining demographic factors appear to have limited influence.

Discussion of findings

The findings of this study provide important insights into the determinants of lending operations at SeABank – Ho Nai Transaction Office. First, the regression results confirm that all six proposed factors have positive and statistically significant effects on lending operations. This indicates that lending performance is shaped by a combination of institutional policies, service-related factors, customer-related conditions, and technological capabilities rather than by any single factor. The model's adjusted R^2 of 0.631 also suggests that the explanatory variables account for a substantial proportion of the variation in lending operations, reflecting the strong suitability of the proposed framework.

The study results are broadly consistent with the previous literature. The positive impact of banking service quality aligns with earlier studies on service quality and customer evaluations in banking [2], [3], [5]. The significant effect of convenience and digital technology is also in line with studies emphasizing the growing role of digital banking in improving customer experience and service efficiency [7], [11], [13]. In addition, the strong influence of risk management policy is consistent with studies highlighting the importance of governance, disclosure, and operational risk control in banking activities [15], [16], [18]. However, unlike some previous studies in which service quality or pricing factors played the dominant role, this study finds that risk management policy exerts the strongest influence. This difference may reflect the specific context of personal lending at SeABank – Ho Nai Transaction Office. Moreover, the positive effects of loan interest rate, credit policy, and customer creditworthiness are also consistent with

previous findings on lending behavior and credit evaluation [8], [19], [20].

Among the six factors, risk management policy has the strongest effect. This result highlights the central role of risk control in banking activities [2, 14]. In the lending context, customers tend to value a bank that demonstrates transparent appraisal procedures, secure lending practices, and sound credit monitoring mechanisms. Effective risk management not only protects the bank from bad debt but also enhances customers' confidence in the bank's safety, professionalism, and long-term sustainability.

The second strongest factor is convenience and digital technology. This finding reflects the growing importance of digital transformation in modern banking. Customers increasingly expect loan-related procedures to be convenient, fast, and accessible through digital platforms [7, 15]. Online information access, electronic transactions, fast processing, and technology-supported services significantly improve customer experience and contribute to more efficient lending operations. This result is especially relevant in the current competitive banking environment, where digital capability has become a key differentiating factor.

The results also show that banking service quality has a strong positive impact on lending operations. This means that professional staff behavior, responsiveness, transaction accuracy, and effective support services remain essential in building customer trust and encouraging borrowing decisions [9, 16]. Even in a technology-driven environment, the human and service quality dimensions continue to play a major role in shaping customer perceptions.

In addition, loan interest rate and credit policy are both significant predictors. Customers are highly sensitive to lending costs and lending conditions, so transparent policies, flexible terms, and competitive interest rates can positively affect their willingness to use loan products [17, 18]. Although financial capacity and credit reputation have the weakest standardized effects, they remain statistically significant, suggesting that customer-side creditworthiness still matters in the lending process, even if its influence is less prominent than that of operational and service-related factors [19, 20].

Overall, the findings suggest that improving lending operations requires an integrated strategy that combines strong risk governance, digital innovation, enhanced service quality, competitive lending terms, and effective customer assessment. These results are consistent with the practical realities of the banking sector and offer a solid basis for managerial recommendations.

5. CONCLUSIONS AND MANAGERIAL RECOMMENDATIONS

5.1 Conclusions

This study was conducted to identify and evaluate the factors affecting lending operations for individual customers at SeABank – Ho Nai Transaction Office. Based on a combination of qualitative and quantitative methods, the research developed a model comprising six independent variables: credit policy, convenience and digital technology, banking service quality, risk management policy, loan interest rate, and financial capacity and credit reputation. The empirical analysis was based on 485 valid survey responses and employed Cronbach's Alpha, Exploratory Factor Analysis, Pearson correlation, and multiple linear regression to test the proposed hypotheses.

The results confirm that all six factors have positive and statistically significant effects on lending operations. Among them, risk management policy has the strongest influence, followed by convenience and digital technology, and banking service quality. These findings indicate that successful lending operations in the current banking environment depend not only on traditional financial factors such as interest rates and credit policy, but also on the bank's ability to manage risk effectively, deliver high-quality services, and apply digital technology to enhance customer convenience. In addition, the significance of financial capacity and creditworthiness indicates that customer-related factors also play a meaningful role in the lending process.

The study also demonstrates that the proposed research model has strong explanatory power, with the independent variables explaining a substantial proportion of the variation in lending operations. Therefore, the findings provide both theoretical and practical contributions. Theoretically, the study enriches the literature on banking service performance and lending activities in the Vietnamese commercial banking context. In practice, it provides an empirical basis for SeABank – Ho Nai Transaction Office to improve lending efficiency, strengthen customer trust, and enhance its competitiveness. Overall, the research confirms that a balanced approach integrating risk control, service improvement, digital transformation, and customer-oriented policies is essential for sustainable lending development.

5.2 Managerial recommendations

Based on the standardized beta coefficients, managerial recommendations should be prioritized according to each factor's relative influence on lending operations. The regression results show the following order of importance: risk management policy (Beta = 0.423), convenience and digital technology (Beta = 0.420), banking service quality (Beta = 0.304), loan interest rate (Beta = 0.215), credit policy (Beta = 0.160), and financial capacity and credit reputation (Beta = 0.097). Since all six variables are positive and statistically significant, SeABank – Ho Nai Transaction Office should adopt an integrated improvement strategy; however, resources should be allocated first to the factors with the strongest standardized effects.

(1) The bank should prioritize strengthening risk management policy, because this is the most influential determinant in the regression model. In the context of individual lending, risk management is not only a control mechanism but also a factor that directly shapes lending effectiveness, portfolio quality, and customer confidence. SeABank – Ho Nai Transaction Office should improve credit appraisal procedures, strengthen post-disbursement monitoring, and apply stricter early-warning systems to identify potentially problematic loans. Borrower information should be updated regularly, with closer monitoring of repayment behavior, income changes, and, where applicable, collateral conditions. In parallel, the

bank should standardize internal risk assessment criteria across loan products to ensure consistency and reduce subjective decision-making. Staff training in credit risk evaluation, fraud prevention, and compliance should also be intensified. In practice, better risk management enables the bank to expand lending more safely, reduce exposure to non-performing loans, and enhance the branch's credibility in customers' eyes. Since this factor has the highest Beta coefficient, it should be treated as the primary strategic priority.

(2) SeABank should immediately accelerate convenience and digital technology application, as this factor has nearly the same impact level as risk management. The finding suggests that customers increasingly value speed, accessibility, and convenience in the borrowing process. Therefore, the branch should simplify customer touchpoints through digital solutions such as online access to loan information, digital pre-screening, e-application support, automatic repayment reminders, and mobile-based loan tracking. The branch should also improve integration between in-branch service and digital channels so that customers can begin their application online and complete necessary steps more efficiently at the transaction office. From an operational perspective, digitizing repetitive procedures can shorten processing time, reduce paperwork, and improve accuracy. From a customer perspective, greater digital convenience enhances transparency and reduces the effort required to access credit services. To maximize impact, digital investments should be accompanied by user-friendly interfaces, robust cybersecurity controls, and clear guidance for customers less familiar with digital banking tools. This recommendation is strongly supported by the variable's high standardized coefficient.

(3) The bank should enhance banking service quality, which ranks third in influence. Although digital technology is increasingly important, the regression results indicate that human interaction and service professionalism remain central to lending performance. The branch should continue improving staff competence in communication, loan consultation, document handling, and problem resolution. Employees should be trained not only in technical lending procedures but also in customer-oriented service behavior, including responsiveness, clarity of explanation, empathy, and follow-up support. In particular, loan officers should be able to explain loan conditions in a transparent and understandable way, especially for individual customers who may have limited financial literacy. Service quality can also be improved by reducing waiting times, ensuring timely application processing, and maintaining a professional, respectful, and supportive service environment. Since this factor has a substantial Beta coefficient, investment in staff capability and service standards will likely generate significant improvements in customer satisfaction and lending efficiency.

(4) The branch should maintain competitive and flexible loan interest rate policies. The positive, significant coefficient for the loan interest rate indicates that borrowing costs remain an important consideration for customers. In practical terms, SeABank – Ho Nai Transaction Office should review its pricing structure to ensure that loan products remain attractive relative to market competitors while still reflecting risk-based pricing principles. The branch may consider differentiated interest rate packages for priority customer segments, loyal borrowers, or borrowers with strong repayment history. Promotional rates for selected products, transparent disclosure of lending costs, and more flexible repayment structures may also improve customer perceptions of fairness and affordability. However, interest rate competition should not be pursued at the expense of portfolio quality. Instead, the branch should link rate decisions with customer risk profiles, collateral quality, and relationship value. By doing so, SeABank can preserve profitability while also increasing loan accessibility for suitable retail borrowers. Because this factor has a moderate Beta value, it should be addressed after the top three priorities, but it still remains an important component of the lending strategy.

(5) SeABank should improve and communicate its credit policy more clearly. Credit policy has a positive effect on lending operations, indicating that customers respond favorably to policies that are transparent, consistent, and practical. The branch should simplify loan requirements where possible, shorten approval layers for standard retail loan products, and ensure that documentation requirements are clearly communicated from the beginning. Policy flexibility is especially important for individual customers, whose borrowing purposes and repayment capacities may vary considerably. Therefore, the bank should design credit policies that balance prudence with accessibility, for example, by diversifying loan products according to income group, occupation, or borrowing purpose. Internally, staff should receive updated policy guidance to avoid inconsistent interpretation across cases. Externally, communication materials should clearly explain key terms, eligibility criteria, and required procedures. A transparent, customer-friendly credit policy will reduce customer uncertainty, build trust, and increase the likelihood of successful loan conversion.

(6) The bank should strengthen customer financial assessment and credit reputation support mechanisms, even though this factor has the smallest standardized effect in the model. Its lower Beta does not mean it can be ignored; rather, it suggests that customer-side creditworthiness is a foundational condition that complements the stronger institutional drivers. The branch should enhance its borrower assessment process by using more complete customer information, repayment history, income evidence, and credit behavior indicators. For customers with strong borrowing demand but limited formal credit history, SeABank may offer advisory support to help them improve their financial records, repayment discipline, and documentation quality. The bank can also segment customers by risk level and offer tailored financial guidance, especially for new borrowers or small household business customers. This approach not only protects lending quality but may also expand the pool of qualified borrowers over time. In the long run, building financially capable and creditworthy customers supports both loan growth and portfolio sustainability.

Beyond the factor-specific recommendations, SeABank – Ho Nai Transaction Office should adopt a phased implementation roadmap based on impact priority. In the short term, management should focus on risk management reform and digital process improvement, as these two factors have the greatest impact and can deliver both operational and strategic gains. In the medium term, the branch should invest in service quality enhancement through staff training, service standards, and customer experience redesign. In the next stage, it should fine-tune pricing mechanisms and credit policy to maintain competitiveness while ensuring lending discipline. Finally, the bank should institutionalize customer credit education and borrower segmentation to sustain long-term growth in retail lending. This priority order is fully consistent with the logic that standardized beta coefficients reflect the relative urgency of policy implementation.

Managerial recommendations should be linked more closely to the measurement scales of each variable, because these observed items reflect the practical dimensions of lending activities at SeABank – Ho Nai Transaction Office. In other words, each recommendation should not remain at a general level, but should be associated with the specific aspects measured in the questionnaire. For example, recommendations on banking service quality should focus on staff responsiveness, clarity of consultation, and processing speed; recommendations on digital convenience should relate to online access, transaction support, and service accessibility. This approach helps ensure that the proposed implications are practical, measurable, and consistent with the empirical findings.

Overall, the managerial implications suggest that improving lending operations requires more than expanding loan volume. Sustainable improvement depends on a balanced strategy that begins with strong risk governance and digital convenience, is reinforced by high service quality, and is supported by competitive interest rates, transparent credit policy, and better customer credit preparedness. If SeABank – Ho Nai Transaction Office allocates resources according to this priority order, it will be better positioned to improve customer access, strengthen portfolio quality, and enhance its competitiveness in the retail lending market.

Limitations and future research:

This study provides meaningful empirical evidence on the factors affecting lending operations at SeABank – Ho Nai Transaction Office; however, several limitations should be acknowledged.

First, the study was conducted at only one transaction office of SeABank, so the findings may reflect the specific operating conditions, customer structure, and local market characteristics of this branch. As a result, the generalizability of the conclusions to other branches, other banks, or other regions may still be limited. Second, the research used a cross-sectional design, meaning that data were collected at a single point in time. Therefore, the study could identify associations among variables but could not fully capture changes in customer perceptions or lending conditions over time. Third, the study relied mainly on self-reported survey responses from individual customers. Although this approach is appropriate for measuring perceptions, it may be affected by response bias, personal subjectivity, or temporary emotional factors during the survey period.

In addition, the regression model explains a substantial proportion of the variation in lending operations, but unexplained variance may be associated with other relevant factors not included in the current model. Variables such as macroeconomic conditions, regulatory changes, competitive pressure, customer financial literacy, or digital trust may also influence lending operations and should be considered in future studies.

Future research could expand the sample to include multiple branches of SeABank or other commercial banks to improve external validity and enable comparative analysis across institutions and geographic areas. Longitudinal studies would also be useful to examine how lending determinants change over time, especially in the context of digital transformation and evolving customer behavior. In addition, future studies may apply more advanced analytical techniques, such as Confirmatory Factor Analysis (CFA) or Structural Equation Modeling (SEM), to test more complex relationships, including mediating or moderating effects among variables.

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7. APPENDIX

Table A1: Pearson correlation results

Correlations								
		Y	X1	X2	X3	X4	X5	X6
Y	Pearson Correlation	1	0.462	0.454	0.384	0.505	.384**	.322**
	Sig. (2-tailed)		0.024	0	0	0	0	0
	N	485	485	485	485	485	485	485
X1	Pearson Correlation	0.462	1	0.068	0.008	0.187	0.271	0.05
	Sig. (2-tailed)	0.024		0.136	0.856	0	0	0.276
	N	485	485	485	485	485	485	485
X2	Pearson Correlation	.454**	0.068	1	0.061	0.004	0.084	.454**
	Sig. (2-tailed)	0	0.136		0.178	0.934	0.065	0
	N	485	485	485	485	485	485	485
X3	Pearson Correlation	.384**	0.008	0.061	1	.153**	.225**	0.095*
	Sig. (2-tailed)	0	0.856	0.178		0.001	0	0.036
	N	485	485	485	485	485	485	485
X4	Pearson Correlation	.505**	0.187**	0.004	.153**	1	.248**	.110*
	Sig. (2-tailed)	0	0	0.934	0.001		0	0.016
	N	485	485	485	485	485	485	485
X5	Pearson Correlation	.384**	0.271**	0.084	.225**	.248**	1	0.041
	Sig. (2-tailed)	0	0	0.065	0	0		0.362
	N	485	485	485	485	485	485	485
X6	Pearson Correlation	.322**	0.05	.454**	0.095*	.110*	0.041	1
	Sig. (2-tailed)	0	0.276	0	0.036	0.016	0.362	
	N	485	485	485	485	485	485	485

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table A2: Summary of demographic difference tests

Demographic variable	Test used	Levene's Sig.	Test statistic	Sig.	Conclusion
Gender	Independent-samples t-test	0	t = -1.098	0.273	No statistically significant difference
Age	One-way ANOVA	0.224	F = 1.590	0.176	No statistically significant difference
Average monthly income	One-way ANOVA	0	F = 0.862	0.461	No statistically significant difference
Occupation	One-way ANOVA	0	F = 4.914	0.001	Statistically significant difference