

*1. Article 1:***CONCEPTUAL REVIEW ON MICRO FINANCE SERVICE QUALITY THEORETICAL FRAMEWORKS IN VIETNAM**

ASSOCIATE FROF. DR. TRAN MINH THAI, DR. BUI THI THU THAO

INSTITUTE OF FINANCE TRAINING, MINISTRY OF FINANCE, VIET NAM.

PHD CANDIDATE HA PHAN AN TRAM, HANOI FINANCE & BANKING  
UNIVERISTY, HA NOI, VIET NAM.**Abstract**

Perceived service quality of microfinance was determined by a group of six dimensions, which includes "accessibility of clients to services, funding conditions, costs/price", "tangibles", "responsiveness", "empathy", "assurance", and "reliability". Among these dimensions, management should recognize that perceived service quality is mainly driven by accessibility, funding conditions, costs/price. Furthermore, reliability is more important compared to tangibles, responsiveness, empathy, and assurance. However, all the six driving forces correlate with the possibility to improve income and social position for the low-income clients. For the case of microfinance institutions (MFIs) operating in Vietnam in particular, the overall service quality according to clients' evaluation was just at the lower boundary of good level. It meant that their quality of service might easily going down to the normal level or being even worse if MFIs in Vietnam do not take required steps to avoid weaknesses or to work out and implement an effective plan of actions. In the system of microfinance, there is always existing different types of MFIs together operating in a specific area. Formal sector MFIs often gain better reputation to access to cheaper credit sources and take advantages of government subsidy and international aids to provide their clients with better funding conditions, costs/price. By the economics of scale, they can set up offices, branches, and employing staffs with experiences to serve low-income people. Meanwhile, semiformal sector MFIs should focus on more active clients' groups who can pay higher interest rates, transaction costs and fees. Actually, improving service quality does not only rely on an effective lending policy but also rely on a good customer service policy. MFIs need to listen and spend more time to look after their clients. Both formal sector MFIs and semiformal sector MFIs in Vietnam should be more sensitive to clients' constraints, take their concerns seriously, and keep them happy to encourage them do their best.

**Keywords:** *Microfinance service quality, microfinance institutions, Vietnam.*