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A systematic evaluation of links among corporate structure, knowledge management, and financial effectiveness in Vietnam's banking sector

Quang Linh Huynh[1]
Nguyen Van Nguyen[2+]

[1]*Faculty of Business Administration, Ho Chi Minh City University of Industry and Trade, Vietnam.*
Email: linhhq@huit.edu.vn
[2]*School of Economics and Law, Tra Vinh University, Vietnam.*
Email: nguyentvu@tvu.edu.vn


(+ Corresponding author)

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ABSTRACT

There have been a few studies that have examined the moderating importance of corporate structures in the model. Consequently, the key aim of the current research is to investigate the influences of corporate structures on financial effectiveness in banking and knowledge management, where it attempts to evaluate the moderating role of corporate structures on the relationship between knowledge management and financial effectiveness in banking. The current study is based on the population of banks and banking branches in Vietnam. It employs a survey research design and targets 500 banking institutions in Vietnam. However, only 328 appropriate institutions offered sufficiently required information for analyses. The procedures of multiple regressions are applied to statistically investigate causal associations, while the methods of hierarchical regressions were utilized to examine the moderation of corporate structure in the linkages. The research results indicate statistically significant influences of knowledge management and corporate structures on financial effectiveness in banking. More importantly, this study finds that the way corporate structures affect the relationship between knowledge management and how well banks do financially is statistically significant. The empirical findings help administrators make suitable corporate structures that better match the adoption of knowledge management in banking so that they can enjoy enhanced financial effectiveness in banking. This study adds to the literature by evaluating the moderating role of corporate structures in the association between management of knowledge and financial effectiveness in banking. These distinctions improve the field, setting it apart from other research projects.

Contribution/ Originality: The current project is one of very few studies that underlines the moderating impact of corporate structures in the association between financial effectiveness and management of knowledge in banking and is statistically shown to enhance the effect of knowledge management on financial effectiveness in banking.

1. INTRODUCTION

The banking sector has played a progressively vital role in the current economy by warranting financial mediation for people and businesses to utilize banking accounts when they sell or purchase services and products (Ngahu & Mbugua, 2017). Banks have largely been acknowledged to have vital contributions to business activities, innovation, employment, and prosperity establishment for the national economy (Ongore & Kusa, 2013). Consequently, financial effectiveness in banking is imperative not only to shareholders but also to other

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stakeholders. The unassailability and effectiveness of the banking industry could accumulate savings and help allocate the best investments. Accordingly, it encourages innovation and economic development. In addition, according to Shih, Chang, and Lin (2010) the banking industry is a knowledge focused industry where knowledge is interrelated more than goods and services. Furthermore, according to Yap, Tasmin, Rusuli, and Hashim (2010) organizational success is considerably reliant on the management of knowledge, which could allow corporations to create long-term core strengths and sustain competitive advantages in the vigorously fluctuating environments of business. The management of knowledge has broadly been recognized as the process of converting intellectual assets into long-lasting value in business and is gradually more significant to business as the value of creativity resulting in transforming one form of knowledge into another is considered in business (Carneiro, 2000). Additionally, the management of knowledge has also been established as the practice of creating, arresting, and using knowledge to enhance the best organizational effectiveness (Edwards, Collier, & Shaw, 2005). Consequently, it has expected continuous and growing attention to theoretical and practical aspects (Mubarak, 2013).

Based on Walczak (2005) operative control of intellectual capital is a serious matter that corporations operating in an information-driven business environment confront. The management of knowledge is not actually about controlling knowledge but about controlling as well as generating an organizational culture that facilitate and encourages the proper usage and formation of knowledge, which results in an organizational competitive advantage. With ongoing globalization, corporations are facing extreme pressure to successfully manage their intellectual capital. Corporations attempting to recommend an inventiveness of management of knowledge without sound corporate structure likely shortly discover the management of knowledge in business will not obtain benefits (Goh, 2003; Nahm, Vonderembse, & Koufteros, 2004; Zammuto & O'Connor, 1992). In addition, according to Gold, Malhotra, and Segars (2001), corporate structure is an essential element for leveraging technology. More explicitly, organizational structures ought to be strengthened to stimulate the creation, utilization and sharing of knowledge across units. Tobin and Franze (2005) conducted a study to determine the role of corporate structure in managing knowledge within a business. The findings revealed that the incorporation of knowledge is likely utilized as the underpinning for organizational design, and a strong incorporation of knowledge could offer maintainable competitive advantages.

The management of knowledge is one of the most vital factors leading to financial effectiveness in banking (Ahmed, Fiaz, & Shoaib, 2015); however, it is determined by corporate structure (Mahmoudsalehi, Moradkhannejad, & Safari, 2012) which in turn imposes an imperative influence on organizational performance (Farhanghi, Abbaspour, & Ghassemi, 2013) because it is considered a valuable source of competitive advantages (Pertusa-Ortega, Molina-Azorín, & Claver-Cortés, 2010). Therefore, identifying the influence of corporate structure on the management of knowledge as well as its significance in generating, allocating, and using knowledge, which can offer maintainable competitive advantages for businesses resulting in the best organizational performance, is indispensable for businesses (Mahmoudsalehi et al., 2012). Businesses emphasize an active interaction between corporate structure and knowledge management to maintain sustainable competitive advantages (Jamil, 2017). It has been documented that knowledge that is not achieved outside is possibly controlled through operative internal practices such as corporate structure.

Overall, the adoption of knowledge management could result in financial effectiveness in banking (Ahmed et al., 2015). Nevertheless, it is affected by corporate structure (Tobin & Franze, 2005), which is in turn one of the most energetic driving forces of financial effectiveness in banking (Farhanghi et al., 2013). These relationships could lead to moderating mechanisms in the research model. Furthermore, Hussain, Jusoh, Jamil, Rehman, and Gul (2022) found that the link between knowledge management and organizational effectiveness is moderated by absorptive capacity, whereas Adam and Mahadi (2018) emphaiszed the mediation of knowledge management in the association between entrepreneurial orientation and organizational effectiveness. However, it seems that there has been no research that has investigated the moderating role of corporate structure in the linkage between the management of

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knowledge and financial effectiveness in banking. Hence, it is really needed to methodically explore the linkages among the management of knowledge, organizational effectiveness, and corporate structure, especially considering the moderating role of corporate structure in the research model.

Additionally, Oh (1999) asserted that Vietnam undertook an extensive range of reforms to transition from a centralized economy to a market-oriented one. In spite of ultimate structural variations, the mobilization and allocation of resources by banks have been humble. Moreover, Tran, Ong, and Weldon (2015) asserted that the banking sector in Vietnam has developed immensely, resulting in an enormous network of financial institutes. Vietnam's government has introduced numerous banking reforms for several years to increase the effectiveness of banking. Although structural changes in banking in Vietnam have been extensive and greatly positive, a lengthy list of practices to enhance or address still exists for the banking sector there. Besides, critical competition among numerous banks in an economy requires them to discriminate their capacity for employing and converting knowledge so that they can achieve competitive advantages over their opponents (Kinyua, Muathe, & Kilika, 2015). The current study selects Vietnam as one of the world's most dynamic developing economies, particularly in the East Asia region.

To the best of the authors' belief, only a few of the extant scientists have undertaken adequate research on the moderation of corporate structure and the linkage between the management of knowledge and organizational performance in the world in general and in Vietnam in particular. The current work attempts to assess the causal correlation from the management of knowledge practices to financial effectiveness in banking, in which it takes the moderating role of corporate structure into account in the management of knowledge practices to the financial effectiveness of banks in Vietnam. The empirical results are expected to provide academics and administrators with an improved understanding of the intricate relationship between corporate structure, management of knowledge, and financial effectiveness in banking so that they can decide how corporate structure and management of knowledge should be chosen to enhance their financial effectiveness in banking. The current work continues as below. The succeeding part illustrates a hypothetical framework summarizing the literature, followed by a research design that outlines the collection and evaluation of research data. Another part demonstrates the empirical results, and then the final part offers some discussions and conclusion.

2. THEORETIC FRAMEWORK

The management of knowledge is significant to the achievement of businesses. Several scientists have recognized that the acceptance of knowledge management can add more value to financial performance in general (Dröge, Claycomb, & Germain, 2003; Mahmoudsalehi et al., 2012) and to financial effectiveness in banking in particular (Ahmed et al., 2015). The acceptance of knowledge management could result in organizational efficiency; however, it is determined by corporate structure (Tobin & Franze, 2005) which is in turn one of the most vital antecedents of financial effectiveness in banking (Farhanghi et al., 2013). The causal bonds among the acceptance of knowledge management, financial effectiveness in banking, and corporate structure are going to be argued below. The management of knowledge is accepted in business to manage organizational knowledge to create superior competitive advantages that will then enhance organizational effectiveness. Furthermore, Lakshman (2007) referred to the management of knowledge as a business capability that enables workers to work together to produce, seize, share, and control cooperative knowledge, leading to enhanced organizational performance.

Prior research projects have discovered that the implementation of knowledge management will make organizations quicker, more innovative, and more effective. A study by Dröge et al. (2003) inferred that the use of knowledge management in business could result in value-added financial performance for organizations. Moreover, Zack, McKeen, and Singh (2009) in their research on the management of knowledge and organizational performance, asserted that systems of knowledge management are directly connected with organizational performance. They pointed out that the acceptance of knowledge management might influence businesses in two

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key ways. First, the management of knowledge may generate knowledge that will likely enhance the performance of firms. Second, the management of knowledge could directly enhance organizational performance. Therefore, the management of knowledge is regarded as a crucial element in creating competitive advantages and augmenting organizational performance (Chen & Huang, 2007; Jamil, 2017). Additionally, Salojärvi, Furu, and Sveiby (2005) confirmed that the management of knowledge is associated with organizational growth, whereas Hsu, Lawson, and Liang (2007) affirmed the magnitude of accepting that the management of knowledge is correlative to organizational performance. Another study on the management of knowledge and organizational performance by Zack et al. (2009) emphasized there is a significant association between the management of knowledge and organizational performance.

Numerous studies (e.g., (Ahmed et al., 2015; Imran, 2014; Ngahu & Mbugua, 2017)) have been pursued to scrutinize the connection between management of knowledge and financial effectiveness in banking. They utilized descriptive statistics to review the research data and applied regression analyses to demonstrate the nature of the correlation between management of knowledge and financial effectiveness in banking. The findings revealed a positively significant association between management knowledge and financial effectiveness in banking. Kridan and Goulding (2006) underlined the significance of operating knowledge in banking institutes. The adoption of knowledge management likely results in improvements in goods, which can enhance financial effectiveness in banking. Al-Dmour, Asfour, Al-Dmour, and Al-Dmour (2020) tried to contribute to the theory of banks operating in an emerging nation. It empirically scrutinized and confirmed the role of innovation as an intermediary between the management of knowledge and financial effectiveness in banking. The chief empirical results revealed that the management of knowledge is significantly related to financial effectiveness in banking.

Furthermore, various scholars confirmed corporate structure plays a vital role in enabling organizations to accept management of knowledge in business (Alawamleh & Kloub, 2013; Chen & Huang, 2007; Claver-Cortés, Zaragoza-Sáez, & Pertusa-Ortega, 2007; Enayati & Ghasabeh., 2012; Lichtarski, 2009; Mahmoudsalehi et al., 2012; Tobin & Franze, 2005; Wahba, 2015; Walczak, 2005; Yap et al., 2010). For example, Walczak (2005) recommended and assessed an innovative corporate structure that boosts the management of knowledge in business. The results suggested that the knowledge sharing structure provides executives with a practical way to share knowledge, which is commonly recognized as a theoretical benefit of knowledge management. Means to decline acknowledged barriers to business variation are designated to promote the application of knowledge sharing structures. In addition, Chen and Huang (2007) confirmed a positive relationship between corporate structure and the acceptance of knowledge management. Tobin and Franze (2005) studied whether organisational structure influences organisational ability to share knowledge inside firms. The outcomes offer a strong theoretical basis that indicates the integration of knowledge may be applied as the base for organisational design, which could deliver a sustainable competitive advantage in business. Claver-Cortés et al. (2007) indicated that the management of knowledge, which is likely a prospective underpinning of competitive advantages, has been in power for several years. Nonetheless, numerous business activities are required to produce a suitable environment and infrastructure for knowledge formation, allocation, and adoption. Among these activities, the design of corporate structures, the connection of which with the management of knowledge, is a leading concern. More explicitly, the current research has the key aim of ascertaining the characteristics of corporate structure and facilitating improvements in the management of knowledge.

Lichtarski (2009) verified that the acceptance of knowledge management is likely attached to corporate structure. Normally, corporations with the most organic structures display the most developed practice of knowledge management. Furthermore, various researchers have noted that corporate structure plays a vital role in the acceptance of knowledge management (Enayati & Ghasabeh., 2012; Yap et al., 2010). In addition, Mahmoudsalehi et al. (2012) identified the influence of corporate structure on the management of knowledge and recognized the role of each indicator in the creation, sharing, and usage of knowledge. The findings suggest that the

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proposed corporate structure is positively related to the management of knowledge and has extended theoretical implications for the effects of organizational elements on management of knowledge. Some characteristics of corporate structures will improve the management of knowledge. Numerous studies have investigated the influence of corporate structure on the acceptance of knowledge management in the insurance sector. According to the outcomes presented, there is a statistically significant effect of corporate structure on the management of knowledge in business (Alawamleh & Kloub, 2013; Wahba, 2015).

Corporate structure is confirmed to be one of the determinants of knowledge management, but it is also evidenced as a vital driver of financial effectiveness in banking (Klein & Saidenberg, 1999). Likewise, Pertusa-Ortega et al. (2010) stressed that decisions on corporate structure are extremely significant in achieving competitive advantages, which can increase financial performance. The empirical results demonstrate corporate structure is not directly related to financial performance but is indirectly connected to it via another element. Farhanghi et al. (2013) explored the connection between corporate structure and financial performance, indicating evidence that corporate structure is one of the most important determinants of financial performance. As one of the first researchers to offer statistical evidence on the comparative merits of various corporate structures, Ferri, Kalmi, and Kerola (2014) advocated support for the argument that suitable corporate structures are worth applying in business. Similarly, according to Njiru (2014) the significance of corporate structure in aligning organizational success and financial performance has been increasingly recognized. In line with this perspective, Njiru and Nyamute (2018) tried to determine the impact of corporate structure on financial effectiveness in banking and documented the banking corporate structures of formalization, complexity, and centralization that determine financial performance, indicating the effect of corporate structure on financial performance.

Anchored in Angelkoska (2021) to obtain success, banks have continuously undertaken changes in corporate structure. Banking corporate structures are intricate and specific for the whole banking system and also for each financial institute. Changes in banking corporate structures likely exert a positive influence on banking performance. Additionally, with thorough changes in banking corporate structures, the theory and the practice affirm vigorous developments in financial effectiveness in banking. Moreover, Boussenna (2021) emphasized that corporations should decide on flexible corporate structures to encourage the making, sharing, and application of knowledge within business. Corporate structures have mainly been stressed as a vital element, resulting in the success of knowledge management as well as financial effectiveness.

Ali and Abd Halim (2017) investigated how service quality practices affect organisational effectiveness with the contribution of value creations as a mediator in satisfying the customer's satisfactions and expectations, whereas they also examined how corporate structure moderates the linkages between service quality practices and value creations, which then improves organizational effectiveness. The study recommends corporate structure as a moderator in the relationship between service quality practices and value creation. Organic structure is more linear, whereas mechanistic structure is stricter. It therefore suggests that the linkage is stronger with organic structure in comparison to mechanistic structure (Jabnoun, 2005; Tavitiyaman, Qiu Zhang, & Qu, 2012).

The moderation of corporate structure holds significant importance in the research model, despite the relatively limited research in this field. Corporate structure has been recognized as a moderator in the link between competitive strategies and organisational effectiveness (Tavitiyaman et al., 2012) or in the linkage between service quality practices and value creation (Ali & Abd Halim, 2017). However, there appears to be a lack of research on the moderating role of corporate structure in the relationship between knowledge management and financial effectiveness in banking. Consequently, it could suggest corporate structures can affect the linkage between management knowledge and financial performance in general and financial effectiveness in banking in particular through moderating mechanisms. Overall, it can conjecture the hypotheses below and generate the research model, as presented in Figure 1.

H_1: The acceptance of knowledge management likely improves financial effectiveness in banking.

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H_2: Corporate structure likely increases the acceptance of knowledge management in banking.

H_3: Corporate structure likely enhances financial effectiveness in banking.

H_4: Corporate structure likely moderates the linkage between knowledge management and financial effectiveness in banking.

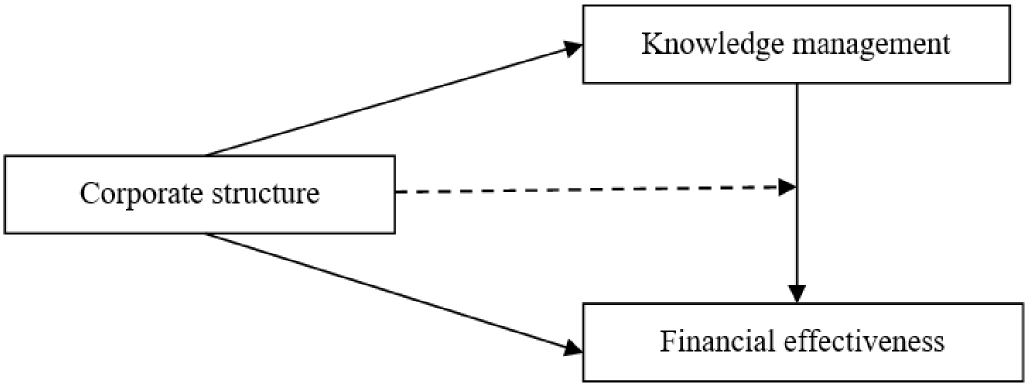

Figure 1. Research model.

3. RESEARCH DESIGN

3.1. Measurement of Variables

Acceptance of knowledge management (KNM) is judged on the 5 items (Gold et al., 2001; Huynh, 2022; Lin & Lee, 2005; Oztekin, Delen, Zaim, Turkyilmaz, & Zaim, 2015) which are: 1. Knowledge usage; 2. Knowledge arrangement; 3. Knowledge creation; 4. Informal knowledge sharing; and 5. Formal knowledge sharing. A 5-point scale from (1) entirely disagreeing to (5) entirely agreeing with each of the items of knowledge management is employed to calculate the variables. Financial effectiveness in banking (FEB) is assessed on the 3 items (Huynh, 2020; Lee & Jungbae Roh, 2012; Ongore & Kusa, 2013): 1. Return on equity (ROE); 2. Return on asset (ROA); and 3. Net interest margin (NIM). Corporate structure (COS) is estimated based on 3 indicators (Chen & Huang, 2007; Njiru & Nyamute, 2018; Zheng, Yang, & McLean, 2010). Formalization (FOR) consists of 6 items; Complexity (COP) consists of 4 items; and Centralization (CNT) consists of 5 items. There were a total of 15 elements shared in the three indicators. A 5-point scale from (1) entirely disagreeing to (5) entirely agreeing with each of the items of corporate structure is utilized to compute the variables. Overall, the research variables are modified from prior studies, as presented in Table 1.

Table 1. Measurement of variables.

Construct	Variable	No. of elements	Sources
Acceptance of knowledge management	KNM	5	Gold et al. (2001); Lin and Lee (2005); Oztekin et al. (2015) and Huynh (2022)
Financial effectiveness in banking	FEB	3	Lee and Jungbae Roh (2012); Ongore and Kusa (2013) and Huynh (2020)
Corporate structure (COS)	Formalization (For)	6	Chen and Huang (2007); Zheng et al. (2010) and Njiru and Nyamute (2018)

3.2. Analysis of Data

Analyses of Cronbach's α reliability were performed to test the properties of measuring constructs as well as the elements constituting the constructs. Furthermore, the analysis of Cronbach's α reliability is to evaluate the degree to which various elements of the same construct agree with one another. It is utilized as an indicator of

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internal steadiness, which refers to the extent to which the elements are linked to each other. Cronbach's α has some advantages. Firstly, it is easy to calculate and understand, as it only requires the element scores and the number of elements. Secondly, it is broadly acknowledged and stated in several fields; consequently, it facilitates comparison and communication of outcomes. Thirdly, it could be employed for various kinds of constructs and elements. Fourthly, it could be adjusted for various situations. Then, the analysis of the confirmatory factor was employed to scrutinize the Goodness-of-fit of the measurement model. To statistically check causal relationships, analyses of multiple regressions were employed. The analysis of regression leads us to understand the strength of associations between variables. Utilizing statistical measurements, the analysis of regression can tell us how much of the total variability in the research data is clarified by the research model. Subsequently, the moderation of corporate structure in management of knowledge and financial effectiveness in banking was investigated using the analyses of hierarchical regressions, which undertake two single regressions.

3.3. Collection of Data

To collect research data, this research was based on the population of banks and banking branches in Vietnam. There were a total of 3810 banks and banking branches at the time of research. An initial test was undertaken with 30 executives related to the management of knowledge to certify that the instruments for analyses were usable and appropriate. Overall, the research sample included 500 banking institutes. The first solicitations were delivered to acquire reactions from main informers with experience in the management of knowledge. At each of the 500 banking institutes, a knowledge management executive or an executive with relevant experience in knowledge management completed a questionnaire. Of the 500 questionnaires delivered, 394 were returned, and 66 questionnaires did not satisfy the needed information. Finally, we gathered only 328 suitable answers with sufficient information for analysis. The number of usable observations exceeds the minimum recommended sampling size by Peck, Olsen, and Devore (2015).

Table 2. Respondents' information statistics.

Features		Frequency	Percentage
Gender	Male	262	79.88%
	Female	66	20.12%
	Total	328	100%
Age	Under 25 (Years)	9	2.74%
	25 to under 30 (Years)	79	24.09%
	30 to under 35 (Years)	82	25.01%
	35 to under 40 (Years)	72	21.95%
	40 to under 45 (Years)	32	9.76%
	45 to under 50 (Years)	31	9.45%
	50 to under 55 (Years)	11	3.35%
	55 to under 60 (Years)	9	2.74%
	Equal or above 60 (Years)	3	0.91%
	Total	328	100%
Experience	Under 5 (Years)	82	25.00%
	5 to under 10 (Years)	94	28.66%
	10 to under 15 (Years)	48	14.63%
	15 to under 20 (Years)	35	10.67%
	20 to under 25 (Years)	31	9.45%
	25 to under 30 (Years)	22	6.71%
	Equal or above 30 (Years)	16	4.88%
	Total	328	100%
Banking kind	Public region	163	49.70%
	Private region	165	50.30%
	Total	328	100%

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4. EMPIRICAL RESULTS

The personal information statistics of the respondents are delivered in Table 2, providing information concerning the gender, age, experience status, and kind of bank. The figures displayed indicate that 20.12% of the observations are female, indicating that the male is dominant in the executive posts of the banking industry with 79.88%. The ages of the respondents in Table 1 indicate that the executive posts in the banking industry fall in the young segment of age. The respondents aged under 40 (years) make up 73.79%, mainly ranging from 15 to 40 (years) with 71.05%. The respondents under 25 (years) or from 25 to under 30 (years) only account for 2.74% for each kind. The number of respondents aged equal to or above 60 years only constitutes 0.91%. The age range of 40 to under 45 years accounts for 9.76%, whereas that of 50 to under 55 years makes up 3.35%. The number of respondents aged 45 to under 50 (years) is 9.45%. For experience, 88.41% of the respondents are in the age range of under 5 to 20 to under 25 years. While the number of respondents experienced in 25 to under 30 years makes up 6.71% that of equal to or above 30 years is 4.88%. As regards banking, figures show 49.70% of the respondents are members of the public banking sector, whereas 50.30% belong to the private banking sector.

The inside uniformity of the elements was investigated by applying the analyses of Cronbach's α reliability (Peck et al., 2015). The results are exhibited in Table 3. The element - total correlations all surpass the smallest reasonable levels of 0.5 (0.613; 0.602; 0.612; 0.647; 0.696). All of the Cronbach's αs are greater than the 0.7 lowest threshold. These figures show all the constructs enjoy adequate inside reliability; therefore, all of the variables in the research model are appropriately taken into next analyses. Additionally, the analysis of the confirmatory factor was applied to test the Goodness-of-fit of the measurement model. The outcomes are exhibited in Table 4. The figures demonstrate satisfaction with the goodness-of-fit in the measurement model (Koufaris & Hampton-sosa., 2002). The χ^2/df (1.982) is smaller than the largest level of 3. Furthermore, the TLI (Tucker-Lewis indicator) obtains a value of 0.913, and the CFI (comparative fit indicator) achieves a value of 0.918, both of which are above the 0.9 suitable value. In addition, the RMSEA (root mean square error of approximation) gains a 0.068 value under the 0.07 desirable level. These findings can provide statistical evidence for the goodness-of-fit of the measurement model.

Table 3. Cronbach's α reliability.

Construct	Lowest element - total correlation	Cronbach's α	No. of elements
KNM	0.613	0.838	5
FEB	0.602	0.811	3
FOR	0.612	0.856	6
COP	0.647	0.827	4
CNT	0.696	0.886	5

After the measurement model is confirmed to gain Goodness-of-fit and the scales utilized in analyses are ensured to achieve reliability, the summated constructs were computed for the analyses of multiple regressions to explore the causal associations among the acceptance of knowledge management, corporate structure, and financial effectiveness in banking, where the moderating role of corporate structure in the research model was analyzed by using the analyses of hierarchical regressions. The empirical findings are exhibited in Tables 5 & 6.

The figures in Table 5 demonstrate the interplay between knowledge management and financial effectiveness in banking. The acceptance of knowledge management statistically influences financial effectiveness in banking at a significance value of 1% with a 0.183 influential coefficient. The goodness of fit obtains an F of 113.324 at a 1% significance value. These findings imply that a greater acceptance of knowledge management in banking likely leads to greater financial effectiveness in banking (Model 1). Therefore, the hypothesis H1 receives statistical support. Likewise, in Model 2, the goodness of fit obtains an F of 104.735 at a 1% significance value. Three elements (FOR, COP, and CNT) of corporate structure statistically influence the acceptance of knowledge management in banking at a significance value of 10% with influential coefficients of 0.085, 0.170, and 0.067, respectively. As a result, the

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hypothesis H2 receives statistical support. Furthermore, in Model 3, the goodness of fit obtains an F of 104.735 at a 1% significance value. Three elements (FOR, COP, and CNT) of corporate structure statistically influence financial effectiveness in banking at a significance value of 5% with influential coefficients of 0.171, 0.078, and 0.178, respectively. Therefore, the hypothesis H3 receives statistical support.

Table 4. Goodness of fit.

Fit indicators	X^2/df	TLI	CFI	RMSEA
Coefficient	1.982	0.913	0.918	0.068

The analyses of hierarchical multiple regressions reflected the moderating role of corporate structure in the causal connection between the acceptance of knowledge management and financial effectiveness in banking. In Model 3, interactions were included in the model to undertake the analyses of hierarchical multiple regressions in Model 4. As revealed in Model 3, KNM ($\beta = 0.175$; $p_t < 5\%$) and three elements (FOR, COP & CNT) of corporate structure ($\beta = 0.171$, 0.078, & 0.178; $p_t < 5\%$) significantly determine FEB at the 5% significance level. In Model 4, the interaction of FOR*KNM ($\beta = 0.083$, $p_t < 5\%$) significantly affects FEB at the 5% significance level; while the interactions of COP*KNM ($\beta = 0.123$, $p_t < 1\%$) and CNT*KNM ($\beta = 0.239$, $p_t < 1\%$) significantly affect FEB at the 1% significance level.

Table 5. Regression analyses.

Dependent variable	Independent variable	Coefficients	Std. error	t	P_t	F	P_F
`1. FEB	C_0	0.086	0.042	2.042	0.041**	113.324	0.000***
	KNM	0.183	0.062	2.891	0.003***		
2. KNM	C_0	0.083	0.041	1.994	0.047**	124.112	0.000***
	FOR	0.085	0.049	1.908	0.056*		
	COP	0.170	0.090	1.907	0.057*		
	CNT	0.067	0.036	1.868	0.062*		
3. FEB	C_0	0.081	0.039	2.039	0.042**	104.735	0.000***
	KNM	0.175	0.082	2.105	0.035**		
	FOR	0.171	0.071	2.285	0.026**		
	COP	0.078	0.038	1.996	0.045**		
	CNT	0.178	0.089	1.995	0.046**		
4. FEB	C_0	0.078	0.038	2.013	0.043**	79.863	0.000***
	KNM	0.189	0.091	2.115	0.034**		
	FOR	0.168	0.063	2.185	0.031**		
	COP	0.076	0.035	2.102	0.036**		
	CNT	0.171	0.089	1.912	0.054*		
	FOR*KNM	0.083	0.046	1.992	0.048**		
	COP*KNM	0.123	0.036	3.331	0.001***		
	CNT*KNM	0.239	0.077	3.258	0.002***		

Note: ***; ** & *: Significance levels at 1%; 5% & 10%.

Based on Table 6, the inclusion of the interactions (FOR*KNM, COP*KNM & CNT*KNM) in Model 3 to Model 4 makes a rise of 6.2% in the explanatory power from 48.1% (Model 3) up to 54.3% (Model 2). Moreover, the influences of the interactions (FOR*KNM, COP*KNM & CNT*KNM) on FEB are statistically significant. According to these findings, three elements (FOR, COP & CNT) of corporate structure significantly moderate the linkage between the acceptance of knowledge management and financial effectiveness in banking. Overall, hypothesis H4 is statistically supported.

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Table 6. Model summary.

Model	R^2	Change statistics		
		R^2 change	F change	P change
3	0.481	0.481	122.298	0.000***
4	0.543	0.062	35.004	0.000***

Note: ***: Significance levels at 10%.

5. DISCUSSIONS

The current research aims to examine the association between corporate structure, knowledge management in business, and financial effectiveness in banking. The specific aim of the research is to examine the moderating role of corporate structure in the linkage between knowledge management in business and financial effectiveness in banking. Based on the empirical findings, hypothesis H1 reveals that a greater acceptance level of knowledge management in banking likely leads to greater financial effectiveness in banking. These results are consistent with prior studies undertaken by Dröge et al. (2003), Chen and Huang (2007), Jamil (2017), Imran (2014), Ngahu and Mbugua (2017) and Ahmed et al. (2015). In line with the hypothesis H2, the empirical results indicate that three elements (FOR, COP & CNT) of corporate structure have a statistically positive effect on the acceptance of knowledge management in business. These empirical results align with prior research (Alawamleh & Kloub, 2013; Chen & Huang, 2007; Claver-Cortés et al., 2007; Enayati & Ghasabeh., 2012; Lichtarski, 2009; Mahmoudsalehi et al., 2012; Tobin & Franze, 2005; Wahba, 2015; Walczak, 2005; Yap et al., 2010).

Furthermore, the hypothesis H3 is statistically supported by that the three elements (FOR, COP & CNT) of corporate structure positively affect financial effectiveness in banking. The results are consistent with those of prior studies (Farhanghi et al., 2013; Ferri et al., 2014; Klein & Saidenberg, 1999; Njiru, 2014; Njiru & Nyamute, 2018; Pertusa-Ortega et al., 2010). According to the empirical findings, hypothesis H4 demonstrates that three elements (FOR, COP & CNT) of corporate structure significantly moderate the linkage between the acceptance of knowledge management and financial effectiveness in banking. Overall, the empirical results indicate that the corporate structures of more formalization, complexity, and centralization make directors focus more on management of knowledge, which leads to superior financial effectiveness in banking. At the same time, they can also reinforce the causal link between knowledge management and financial effectiveness in banking.

6. CONCLUSION

Many studies have examined the casual relationship between the acceptance of knowledge management in banking and financial effectiveness. Nonetheless, to the best of my knowledge, only a few research projects assessed the casual linkage with analyzing the moderating role of corporate structures in the research model. Furthermore, Vietnam is nominated for the existing research because Vietnam is one of the fastest-developing countries. Furthermore, Vietnam, being the most populous country in Southeast Asia after Indonesia and the Philippines, is poised to make significant contributions to both the regional and global economies. The vigorous and quick business environment enables banking institutes in Vietnam to focus on effective managerial practices that sustain maintainable development. In this study, multiple regression analyses are used to look into the causal links, and hierarchical regression analyses are used to look into how corporate structures affected the causal links. The empirical findings reveal that the acceptance of knowledge management affects financial effectiveness in banking, whereas it is predicted by corporate structures, which is in turn a driver of financial effectiveness in banking. The three elements of corporate structures are statistically discovered as moderators of the causal link from the acceptance of knowledge management in banking to financial effectiveness in banking.

The current research makes several contributions to both the literature on knowledge management and practical aspects. The statistical evidence emphasizes corporate structures and the management of knowledge are important elements of generating organizational success, leading to better financial effectiveness in banking.

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Corporate structures, however, determine the acceptability of knowledge management. Furthermore, corporate structures play a vital moderating role in the research model. These findings provide managerial scholars of knowledge management with a better understanding of the importance of corporate structures in moderating the causal link between the acceptance of knowledge management and financial effectiveness in banking. It implies that the corporate structures of more formalization, complexity, and centralization could enable directors to pay more attention to the management of knowledge, which leads to superior financial effectiveness in banking. Corporate structures can strengthen the link between the management of knowledge and financial effectiveness in banking. The findings could help banking executives better understand the complicated links among the acceptance of knowledge management, corporate structures, and financial effectiveness in banking with the interference of corporate structures with the moderating role. Consequently, banking executives can make better decisions about employing suitable corporate structures and a sound acceptance of knowledge management in banking, which is able to improve financial effectiveness in banking.

The limitations of the current study include its concentration on Vietnam and its survey-based approach, despite providing useful findings. To enhance generalizability, future research may utilize more settings and approaches. Corporate structure and knowledge management should be systematically investigated to better understand their influences.

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