



CENTRE FOR ECONOMIC AND POLICY RESEARCH

CEPR Working Paper

WP-03/2008

Efficiency and Value Efficiency Analysis for Academic Research

Dao Nguyen Thang

Centre for Economic and Policy Research

College of Economics, Vietnam National University, Ha Noi

CEPR Working Paper

Efficiency and Value Efficiency Analysis for Academic Research

Dao Nguyen Thang*

Email: dao.nguyenthang@cepr.org.vn

Abstract

This paper aims to propose a systematic approach to evaluate the efficiency of academic research for Vietnam. Six criteria for measuring the performance of a research project are proposed to quantify its quality. The data of two sorts of research - fundamental and implemental - are employed to run the DEA BCC and BCC value efficiency models which are considered as numerical examples to illustrate how to approach the work.

Keywords: *Data envelopment analysis, Value efficiency, Academic research, Efficiency score.*

JEL Classification Numbers: C14, C44

This working paper should not be reported as representing the views of the CEPR. The views expressed in this working paper are those of the author(s) and do not necessarily represent those of the CEPR.

* The author wishes to thank Prof. Pekka Korhonen (Helsinki School of Economics) for his kind supports on useful materials. The author is grateful to scientists for constructive comments on the international conference held at National Economics University in August 9th 2007. All shortcomings or errors are of the author.

1. Introduction

Since the innovation of Charnes et al. (1978), studies in Data Envelopment Analysis (DEA) have been extensively employed in measuring the efficiency of Decision Making Units in many activities. Many fields of production, banking, insurance, etc. have been evaluated the efficiency from micro to macro levels by employing DEA models developed by many theorists. In Vietnam, these methodologies of DEA have been mainly employed by Nguyen Khac Minh et al from 2002 to far.

Even though the methodologies of DEA have been applied in many fields of practical activities, its applications on evaluating the efficiency of education and scientific research are very limited. To our best knowledge, only Korhonen et al (2001) proposed the so-called value efficiency model, which is basically based on DEA BCC model, to perform an efficiency evaluation for 18 research units at the Helsinki school of economics. Inheriting this idea and with the kind support of professor Korhonen, we conducted a research on value efficiency of academic research for Vietnam which is considered the first step for a further more comprehensive research in this field. Our research focuses on evaluating the efficiency of some academic research of Ministry of Education and Training and of some institutes.

This paper consists of five sections including introduction. In section 2, we present the way to develop the database for the performance analysis. Section 3 briefly reviews the traditional DEA and value efficiency analysis. Section 4 presents the research performance analysis for academic research. Section 5 gives some conclusion remarks.

2. Database and Indicators

In order to evaluate the performance of academic research, we address a set of evaluation criteria as outputs which cover these contents below:

- Quality of academic research;
- Research activity;
- Impact of academic research;
- Activities in educating young scientists;
- Activities in Scientific Community;
- Application of the research in practice.

Four of these six criteria are referenced from the research of Korhonen et al. (2001) which are rather close to the criteria applied in the quality assessment of academic research in the Netherlands. All evaluation criteria are multi-dimensional because it is extremely difficult to use a single dimension criterion to cover one aspect of a research project. These six criteria are derived from 19 sub-criteria. So, it requires finding a way to combine the sub-criteria into one criterion. The numerical information of all sub-criteria is derived from assessments of 41 experts who are professors and associate professors of many fields in disciplinary sciences.

The data for analysis are collected in two stages. Firstly, leaders of academic research are directly interviewed to get detail and necessary information of the research in respect to evaluation criteria above. Secondly, we conduct a survey to get ideas from experts for each sub-criterion. From the ideas of experts, we construct a set of weight for each sub-criterion of each kind research in respect to input. This is a necessary step to combine the sub-criteria into one criterion.

Each of the criteria are based on combined information

a. Quality of academic research (Criterion 1)

- Number of articles relating to the research published in the domestic and international journal by the research members.
- Number of books and chapters relating to the research edited by the research member are published domestically and internationally.
- Number of citations from the published reports and material of the research members.

b. Research activity (Criterion 2)

- Number of publications relating to the research are published in the non- refereed books or journal
- Papers in conference proceedings, national reports, reports in the non-refereed journal, working paper and other unpublished reports
- Number of reports of relating to the research are invited to present at National and International Conferences

c. Impact of research (Criterion 3)

- Number of citations by other researchers (in journal articles, books, published conference proceedings, and PhD dissertations)

- Number of foreign co-authors in journal articles
- Number of scientific research contract relating to the research sponsored from organization after publishing the results of the research
- Number of training courses designed relating to the methodology of the research

d. Activity in Educating Young Scientists (Criterion 4)

- Number of Doctoral degrees and Master degrees produced
- Number of Doctoral students supervised

e. Activities in Scientific Community (Criterion 5)

- Memberships in editorial boards
- Number of research members are invited as experts for National Programmes and International Programmes
- Number of research members are invited to represent at scientific conferences or to be visiting professor for issues studied
- Number of research members are invited in National scientific organization and International organization as experts in research field

f. Application of the research in practice (Criterion 6)

- Number of organizations have applied the results of the research
- Number of results of the research have been being granted in terms of pattern, sample product, etc.
- The results of the research are background for establishing business unit

3. The methodology

3.1. Data Envelopment Analysis

Data Envelopment Analysis (DEA) developed by Charnes, Cooper and Rhodes (1978) has become one of the most widely used methods in evaluating the relative efficiency of Decision Making Units (DMUs). Assuming there are n DMUs each consuming m inputs and producing p outputs. Let $X \in \mathfrak{R}_+^{m \times n}$ and $Y \in \mathfrak{R}_+^{p \times n}$ be the matrices, consisting of nonnegative elements, including the observed inputs and outputs of DMUs. Let denote \mathbf{x}_j (the j th column of X) be the vector of inputs consumed by DMU $_j$, and x_{ij} be the quantity of input I consumed by DMU $_j$. A similar notation is used for outputs. Furthermore, let denote $\mathbf{1} = [1, \dots, 1]^T$.

In this paper, the so-called BCC models with variable returns to scale proposed by Banker, Charnes and Cooper (1984) are used to examine the relative efficiency among DMUs. In output oriented BCC models, the efficiency of a DMU is determined by maximizing outputs subject to given input levels. These models are presented in (3.1a) and (3.1b).

| Output-Oriented BCC Primal (BCC_P – O) | Output-Oriented BCC Dual (BCC_D – O) |
|---|--|
| $\begin{aligned} \text{Max } Z_o &= \theta + \varepsilon(1^T s^+ + 1^T s^-) \\ \text{s.t.} \\ Y\lambda - \theta y_0 - s^+ &= 0, \\ X\lambda + s^- &= x_0, \\ 1^T \lambda + z &= 1, \\ \lambda, s^-, s^+, z &\geq 0, \\ \varepsilon > 0 & \quad (\text{Non-Archimedean}) \end{aligned} \tag{3.1a}$ | $\begin{aligned} \text{Min } W_0 &= v^T x_0 + u \\ \text{s.t.} \\ \mu^T y_0 &= 1, \\ -\mu^T Y + v^T X + u1^T &\geq 0^T, \\ \mu, v &\geq \varepsilon 1, \\ \varepsilon > 0. \end{aligned} \tag{3.1b}$ |

A DMU is efficient iff $\theta^* = 1$ and all slack variables s^-, s^+ equal to zero, otherwise it is called inefficient (Charnes et al., 1994).

3.2. Value Efficiency Analysis

Halme et al. (1999) proposed the idea of Value Efficiency Analysis. This is contrast with traditional DEA which measure efficiency level of a DMU basing on its distance to the efficiency frontier. Theoretically, the DM is assumed to have a (unknown) pseudo-concave

value function $v(u)$, $u = \begin{bmatrix} y \\ -x \end{bmatrix} \in \mathfrak{R}^{n+p}$, which is strictly increasing (meaning strictly increasing in

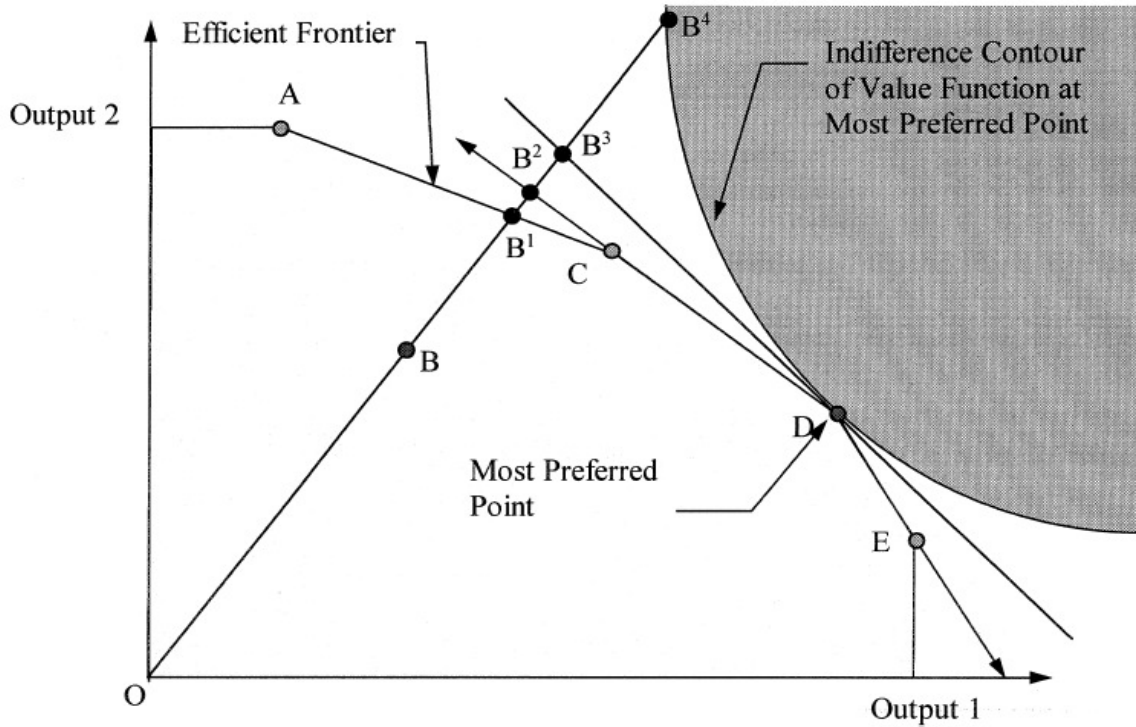
y and strictly decreasing in x) and with a (local) maximal value $v(u^*)$, $u^* = \begin{bmatrix} y^* \\ -x^* \end{bmatrix} \in T$ (where T

is the feasible set), at the Most Preferred Solution (see Korhonen et al., 2001).

Value efficiency analysis allows evaluating efficiency of each DMU in relation to the indifference contour of that (unknown) value function crossing through the Most Preferred Solution. However, generally it is not realistic to assume that the value function is known or

reliably estimated (Korhonen et al. 1999). That is why the indifference contour is approximated by using possible tangent hyperplanes. This basic idea of Value Efficiency Analysis is illustrated in Figure 2.

Figure 2: Value Efficiency Analysis



For simplicity, assuming there are five DMUs (A, B, C, D, E) which produce two outputs and use the same amount of one input. The efficiency measure in the traditional DEA is the ratio OB/OB^1 . Our target is to measure the ratio OB/OB^4 . Because, the value function is not known, we can not do it. So we have to approximate the indifference contour by a tangent, we could use the ratio OB/OB^3 instead of OB/OB^4 . Because we do not assume that this is possible in practice, we have to consider all possible tangents of the contour. This leads to the use of the ratio: OB/OB^2 as the best approximation we can get to the (true) value efficiency score. This score is simply called *value efficiency score*.

Theoretically, value efficiency analysis can be carried out as easily as the traditional DEA using linear programming technique. A DMU is inefficient with respect to any strictly

increasing pseudo-concave value function $v(u)$, $u = \begin{bmatrix} y_0 \\ -x_0 \end{bmatrix}$ with a maximum at point u^* , if the optimum value Z^* of the following problem is greater than one:

$$\begin{aligned}
& \max \quad Z_0 = \theta + \varepsilon(1^T s^+ + 1^T s^-) \\
& s.t. \\
& Y\lambda - \theta y_0 - s^+ = 0, \\
& X\lambda + s^- = x_0, \\
& 1^T \lambda + z \leq 1, \\
& s^-, s^+ \geq 0, \\
& \varepsilon > 0 \quad (\text{"Non - Archimedean"}), \\
& \lambda_j \geq 0 \quad \text{if} \quad \lambda_j^* = 0, \quad j = 1, 2, \dots, n, \\
& z \geq 0 \quad \text{if} \quad z^* = 0.
\end{aligned} \tag{3.2}$$

where $\lambda^* \in \Lambda$, z^* correspond to the most preferred solution

$$\begin{aligned}
y^* &= Y\lambda^*, \\
x^* &= X\lambda^*.
\end{aligned}$$

4. Analysis of Research Performance

In order to perform efficiency analysis, six output measures and one input are chosen. We divided the academic research into two groups: fundamental research and implemental research. For each kind of research, we then classify the research in terms of input. Three levels of input are considered as ones less than 100 million Vietnam Dong (VND), from 100 million VND to 300 million VND, and greater than 300 million VND. We first perform a standard output oriented BCC DEA (Banker et al., 1984) using DEA solver provided by Cooper et al. (2007) and then perform BCC value efficiency model using value analysis program provided by Korhonen (1999) to make a comparison.

The six outputs were calculated by combining detailed information provided by researchers and the ideas of experts. In the survey questionnaire, we required researchers to provide both numerical information and transcript ones. i.e, for the publication information of a research project, we need the number of publications and the names of articles and journals in which the research was published.

4.1. Fundamental Research

Table 4.1a: Criteria value as the weighted sums of scaled indicators and resources of Fundamental Academic Research

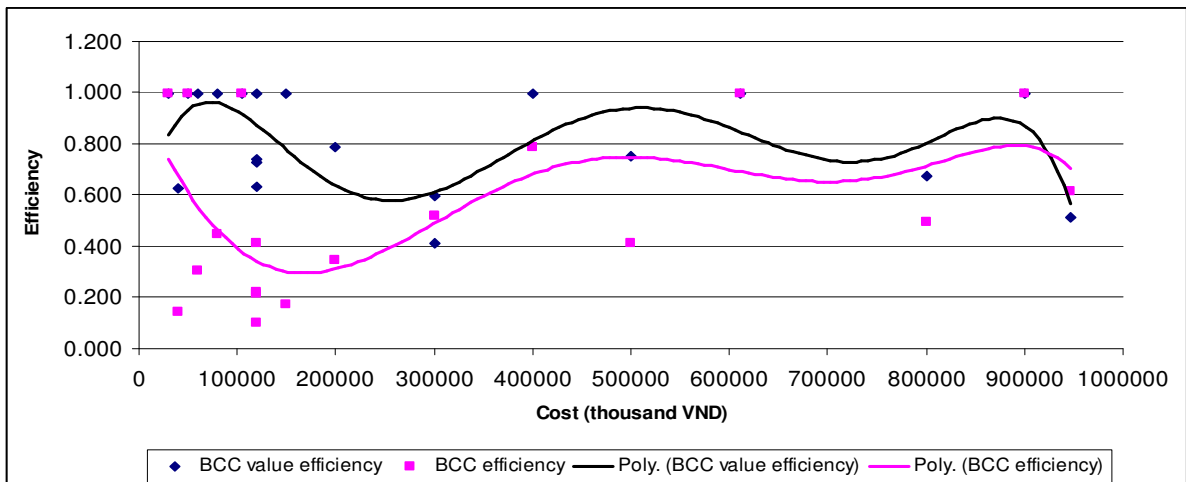
| Code | Cost | C1 | q2011 | q2012 | q2013 | C2 | q2021 | Q2022 | Q2023 | C3 | q2031 | q2032 | q2033 | q2034 | C4 | q2041 | q2042 | C5 | q2051 | q2052 | q2053 | q2054 | C6 | q2061 | q2062 | q2063 |
|------|---------|----------|-------|-------|-------|----------|-------|-------|-------|----------|-------|-------|-------|-------|----------|-------|-------|----------|-------|-------|--------|-------|----------|-------|-------|-------|
| | | W_{1i} | 0.361 | 0.333 | 0.306 | W_{2i} | 0.315 | 0.339 | 0.346 | W_{3i} | 0.259 | 0.245 | 0.245 | 0.251 | W_{4i} | 0.488 | 0.512 | W_{5i} | 0.220 | 0.254 | 0.279 | 0.247 | W_{6i} | 0.363 | 0.317 | 0.320 |
| R95 | 30,000 | 9.894 | 2 | 0 | 30 | 5.125 | 2 | 1 | 12 | 5.180 | 20 | 0 | 0 | 0 | 2.976 | 4 | 2 | 4.050 | 4 | 2 | 6 | 4 | 1.003 | 1 | 0 | 2 |
| R45 | 40,000 | 1.444 | 4 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 |
| R110 | 50,000 | 0.694 | 1 | 1 | 0 | 0.693 | 0 | 0 | 2 | 0.000 | 0 | 0 | 0 | 0 | 8.809 | 17 | 1 | 2.759 | 3 | 4 | 3 | 1 | 1.320 | 1 | 1 | 2 |
| R112 | 60,000 | 1.055 | 2 | 1 | 0 | 0.346 | 0 | 0 | 1 | 0.000 | 0 | 0 | 0 | 0 | 1.952 | 4 | 0 | 0.780 | 0 | 1 | 1 | 1 | 0.640 | 0 | 0 | 2 |
| R59 | 80,000 | 1.444 | 4 | 0 | 0 | 0.693 | 0 | 0 | 2 | 0.000 | 0 | 0 | 0 | 0 | 0.488 | 1 | 0 | 1.538 | 7 | 0 | 0 | 0 | 1.089 | 3 | 0 | 0 |
| | | W_{1i} | 0.354 | 0.341 | 0.304 | W_{2i} | 0.288 | 0.336 | 0.376 | W_{3i} | 0.247 | 0.242 | 0.263 | 0.248 | W_{4i} | 0.515 | 0.485 | W_{5i} | 0.220 | 0.250 | 0.278 | 0.252 | W_{6i} | 0.366 | 0.328 | 0.306 |
| R44 | 105,000 | 1.621 | 2 | 0 | 3 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.515 | 1 | 0 | 0.000 | 0 | 0 | 0 | 0 | 10.481 | 27 | 0 | 2 |
| R19 | 120,000 | 1.050 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 |
| R40 | 120,000 | 0.708 | 2 | 0 | 0 | 1 | 1 | 1 | 1 | 0.742 | 1 | 0 | 0 | 2 | 1.000 | 1 | 1 | 0.252 | 0 | 0 | 0 | 1 | 0.000 | 0 | 0 | 0 |
| R58 | 120,000 | 0.000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.743 | 0 | 0 | 0 | 3 | 0.970 | 0 | 2 | 1.660 | 4 | 1 | 1 | 1 | 0.000 | 0 | 0 | 0 |
| R97 | 120,000 | 0.000 | 0 | 0 | 0 | 0.376 | 0 | 0 | 1 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.252 | 0 | 0 | 0 | 1 | 1.634 | 1 | 2 | 2 |
| R52 | 150,000 | 0.354 | 1 | 0 | 0 | 1.128 | 0 | 0 | 3 | 0.000 | 0 | 0 | 0 | 0 | 0.485 | 0 | 1 | 0.440 | 2 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 |
| R42 | 200,000 | 3.846 | 10 | 0 | 1 | 1.424 | 0 | 2 | 2 | 0.485 | 0 | 2 | 0 | 0 | 0.000 | 0 | 0 | 0.278 | 0 | 0 | 1 | 0 | 0.000 | 0 | 0 | 0 |
| | | W_{1i} | 0.355 | 0.338 | 0.307 | W_{2i} | 0.284 | 0.333 | 0.383 | W_{3i} | 0.249 | 0.237 | 0.260 | 0.253 | W_{4i} | 0.528 | 0.472 | W_{5i} | 0.220 | 0.250 | 0.2781 | 0.252 | W_{6i} | 0.359 | 0.332 | 0.309 |
| R26 | 300,000 | 1.355 | 2 | 1 | 1 | 1.434 | 1 | 0 | 3 | 0.000 | 0 | 0 | 0 | 0 | 3.698 | 7 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.977 | 1 | 0 | 2 |
| R15 | 300,000 | 0.710 | 2 | 0 | 0 | 0.333 | 0 | 1 | 0 | 1.013 | 0 | 0 | 0 | 4 | 3.472 | 3 | 4 | 0.934 | 2 | 2 | 0 | 0 | 0.950 | 0 | 1 | 2 |
| R20 | 500,000 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 |
| R93 | 400,000 | 1.421 | 4 | 0 | 0 | 1.150 | 0 | 0 | 3 | 4.088 | 0 | 2 | 10 | 4 | 2.057 | 3 | 1 | 1.327 | 0 | 1 | 1 | 3 | 0.618 | 0 | 0 | 2 |
| R5 | 500,000 | 2.842 | 8 | 0 | 0 | 1.902 | 4 | 0 | 2 | 0.760 | 0 | 0 | 0 | 3 | 2.057 | 3 | 1 | 0.000 | 0 | 0 | 0 | 0 | 0.618 | 0 | 0 | 2 |
| R82 | 611,291 | 2.969 | 3 | 2 | 4 | 2.667 | 3 | 2 | 3 | 3.977 | 11 | 2 | 0 | 3 | 4.585 | 6 | 3 | 2.500 | 3 | 1 | 2 | 4 | 2.773 | 6 | 0 | 2 |
| R28 | 800,000 | 2.114 | 5 | 1 | 0 | 1.534 | 0 | 0 | 4 | 0.000 | 0 | 0 | 0 | 0 | 3.472 | 3 | 4 | 0.526 | 0 | 0 | 2 | 0 | 0.618 | 0 | 0 | 2 |
| R94 | 900,000 | 15.915 | 5 | 1 | 45 | 14.453 | 4 | 2 | 33 | 0.997 | 4 | 0 | 0 | 0 | 1.528 | 2 | 1 | 3.224 | 4 | 5 | 4 | 0 | 0.618 | 0 | 0 | 2 |
| R76 | 946,500 | 1.937 | 2 | 0 | 4 | 0.767 | 0 | 0 | 2 | 2.255 | 8 | 0 | 1 | 0 | 0.528 | 1 | 0 | 0.751 | 0 | 1 | 1 | 1 | 2.332 | 2 | 3 | 2 |

The data of fundamental academic research is synthesized in table 4.1a. Six output measures are described in columns C1, C2, C3, C4, C5 and C6. The unique input as cost for research is described in the “cost” column. The results of running standard BCC efficiency model and BCC value efficiency model are described in table 4.1b.

Table 4.1b: Value efficiency analysis with output-oriented model

| DMUs | Cost | BCC efficiency | | BCC value efficiency | | | | | | | | | | | |
|------|---------|----------------|---------|----------------------|-------|-------|-------|-------|-----|-------|-------|-------|-----|-------|-------|
| | | Efficiency | Ranking | Reference DMUs | | | | | | | | | | | |
| | | | | R95 | R110 | R112 | R59 | R44 | R97 | R52 | R93 | R82 | R94 | | |
| R95 | 30,000 | 1.000 | 1 | 1.000 | | | | | | | | | | | |
| R45 | 40,000 | 0.145 | 19 | | | | | | | 0.625 | | | | | |
| R110 | 50,000 | 1.000 | 1 | | 1.000 | | | | | | | | | | |
| R112 | 60,000 | 0.306 | 15 | | | 1.000 | | | | | | | | | |
| R59 | 80,000 | 0.447 | 11 | | | | 1.000 | | | | | | | | |
| R44 | 105,000 | 1.000 | 1 | | | | | 1.000 | | | | | | | |
| R19 | 120,000 | 0.100 | 20 | | | | | | | 0.727 | | | | | |
| R40 | 120,000 | 0.220 | 16 | | | 0.166 | | | | 0.008 | 0.632 | 0.180 | | | |
| R58 | 120,000 | 0.410 | 13 | | 0.017 | | 0.740 | | | | | 0.162 | | | 0.080 |
| R97 | 120,000 | 0.213 | 17 | | | | | | | 1.000 | | | | | |
| R52 | 150,000 | 0.176 | 18 | | | | | | | | 1.000 | | | | |
| R42 | 200,000 | 0.347 | 14 | 0.065 | | 0.786 | | | | | | | | | 0.149 |
| R26 | 300,000 | 0.521 | 8 | | 0.353 | 0.155 | | 0.037 | | 0.409 | | | | | 0.047 |
| R15 | 300,000 | 0.517 | 9 | 0.196 | 0.195 | 0.599 | | 0.011 | | | | | | | |
| R93 | 400,000 | 0.789 | 6 | | | | | | | | | 1.000 | | | |
| R5 | 500,000 | 0.411 | 12 | 0.053 | 0.011 | 0.752 | | | | | | 0.097 | | | 0.086 |
| R20 | 500,000 | 0.000 | 21 | | | | | | | | | | | | |
| R82 | 611,291 | 1.000 | 1 | | | | | | | | | | | 1.000 | |
| R28 | 800,000 | 0.495 | 10 | 0.053 | 0.230 | 0.676 | | | | | 0.016 | | | | 0.078 |
| R94 | 900,000 | 1.000 | 1 | | | | | | | | | | | | 1.000 |
| R76 | 946,500 | 0.616 | 7 | | | | | 0.192 | | | | 0.512 | | | |

Figure 4.1: Fitted lines of relationship between efficiency scores and cost



From the results of both models, we can see that the efficiency per unit cost of the fundamental research is low in the interval of around 100 million to 350 million VND. This implies that in this interval the research seem to be decreasing return of scale. The research seems to be efficient in terms of per unit cost in the interval of 350 to 600 million VND. However, there is still the particular case of research R20, the efficiency score is zero for both models (the traditional BCC DEA model and BCC value efficiency model); this one is considered as an outlier and is excluded from our analysis. After the interval of cost of 350 to 600 million, the marginal efficiency decreases, meaning the research may not get economies of scale, until the cost reaches to around 750 million VND. The marginal efficiency of the research increases again after this point, and so on which are represented in figure 4.1. This result sheds light for the implication that, for fundamental research, we should focus in investing the medium research with cost of 350 to 600 million VND. The research with low cost of interval from 100 to 300 million VND should not be encouraged since they are not economies of scale. The research with high costs of greater than 700 million VND should be more closely monitored by the leader as well as different monitoring levels.

4.2. Implemental research

Similar to fundamental research, six outputs and one input above are also chosen to evaluate the efficiency of research. The data is represented in table 4.2a. The efficiency scores of research are represented in table 4.2b by both models as DEA BCC and BCC value efficiency. Actually, implemental research usually has greater costs compared to fundamental research. This is rather understandable since an implemental research project usually requires more practical activities, which are costly than a fundamental one does.

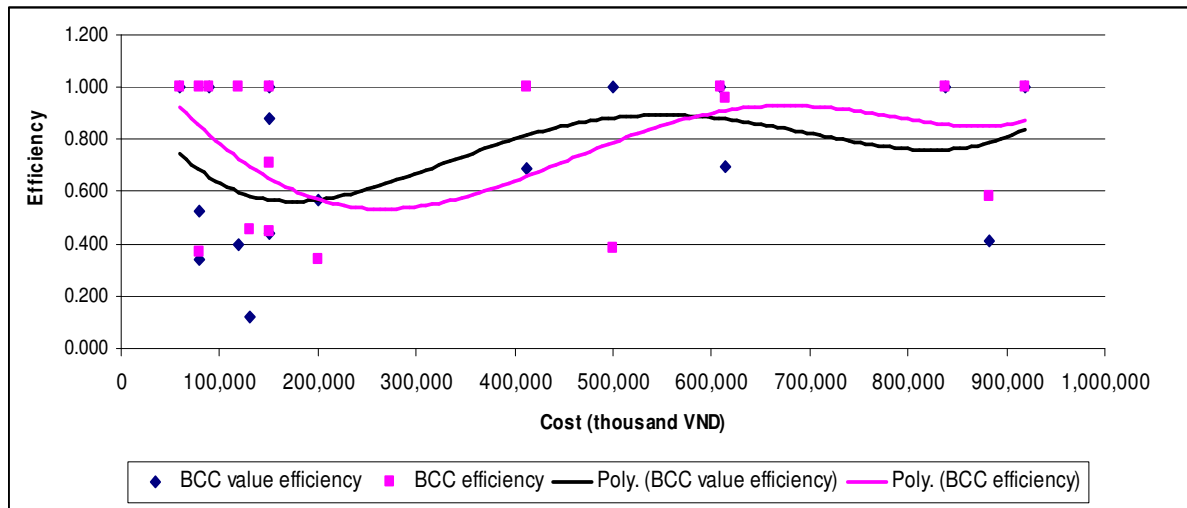
Table 4.2a. Criteria value as the weighted sums of scaled indicators and resources of Implemental Academic Research

| hoso | Costs | C1 | q2011 | q2012 | q2013 | C2 | q202 | q2022 | q2014 | C3 | q2031 | q2032 | q2033 | q2034 | C4 | q2041 | q2042 | C5 | q2051 | q2052 | q2053 | q2054 | C6 | q2061 | q2062 | q2063 |
|-------------|----------------|-----------------------|--------------|--------------|--------------|-----------------------|-------------|--------------|--------------|-----------------------|--------------|--------------|--------------|----------------|-----------------------|--------------|---------------|-----------------------|--------------|--------------|--------------|---------------|-----------------------|--------------|--------------|--------------|
| | | <i>W_{Ii}</i> | 0.361 | 0.333 | 0.306 | <i>W_{2i}</i> | 0.315 | 0.339 | 0.346 | <i>W_{3i}</i> | 0.259 | 0.2453 | 0.2451 | 0.2506 | <i>W_{4i}</i> | 0.488 | 0.512 | <i>W_{5i}</i> | 0.220 | 0.254 | 0.279 | 0.247 | <i>W_{6i}</i> | 0.363 | 0.317 | 0.320 |
| R8 | 60,000 | 0.972 | 1 | 0 | 2 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.495 | 0 | 0 | 0 | 2 | 1.729 | 3 | 0 | 2 | |
| R16 | 80,000 | 1.083 | 3 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.640 | 0 | 0 | 2 | |
| R36 | 80,000 | 6.892 | 2 | 2 | 18 | 0.339 | 0 | 1 | 0 | 0.501 | 0 | 0 | 0 | 1.024 | 0 | 2 | 1.066 | 0 | 2 | 2 | 0 | 1.320 | 1 | 1 | 2 | |
| R13 | 90,000 | 0.722 | 2 | 0 | 0 | 0.654 | 1 | 1 | 0 | 0.000 | 0 | 0 | 0 | 1.976 | 3 | 1 | 0.000 | 0 | 0 | 0 | 0 | 1.366 | 2 | 0 | 2 | |
| R65 | 90,000 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | |
| | | <i>W_{Ii}</i> | 0.354 | 0.341 | 0.304 | <i>W_{2i}</i> | 0.288 | 0.336 | 0.376 | <i>W_{3i}</i> | 0.247 | 0.242 | 0.263 | 0.248 | <i>W_{4i}</i> | 0.515 | 0.485 | <i>W_{5i}</i> | 0.220 | 0.250 | 0.278 | 0.252 | <i>W_{6i}</i> | 0.366 | 0.328 | 0.306 |
| R33 | 120,000 | 4.460 | 4 | 0 | 10 | 0.376 | 0 | 0 | 1 | 0.000 | 0 | 0 | 0 | 4.515 | 5 | 4 | 1.505 | 1 | 1 | 1 | 3 | 0.000 | 0 | 0 | 0 | |
| R35 | 130,000 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.720 | 1 | 2 | 0 | 0 | 0.000 | 0 | 0 | 0 | |
| R111 | 150,000 | 0.708 | 2 | 0 | 0 | 0.288 | 1 | 0 | 0 | 0.000 | 0 | 0 | 0 | 1.515 | 2 | 1 | 0.000 | 0 | 0 | 0 | 0 | 0.612 | 0 | 0 | 2 | |
| R54 | 150,000 | 2.621 | 3 | 1 | 4 | 0.000 | 0 | 0 | 0 | 0.743 | 0 | 0 | 0 | 6.119 | 10 | 2 | 0.000 | 0 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | |
| R23 | 150,000 | 0.354 | 1 | 0 | 0 | 1.048 | 0 | 2 | 1 | 0.000 | 0 | 0 | 0 | 1.000 | 1 | 1 | 0.000 | 0 | 0 | 0 | 0 | 1.306 | 1 | 1 | 2 | |
| R1 | 200,000 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.978 | 1 | 0 | 2 | |
| | | <i>W_{Ii}</i> | 0.355 | 0.338 | 0.307 | <i>W_{2i}</i> | 0.284 | 0.333 | 0.383 | <i>W_{3i}</i> | 0.249 | 0.237 | 0.260 | 0.253 | <i>W_{4i}</i> | 0.528 | 0.472 | <i>W_{5i}</i> | 0.220 | 0.250 | 0.278 | 0.252 | <i>W_{6i}</i> | 0.359 | 0.332 | 0.309 |
| R86 | 412,000 | 4.502 | 3 | 2 | 9 | 5.051 | 5 | 4 | 6 | 9.839 | 17 | 2 | 9 | 11.3528 | 4 | 3 | 2.282 | 1 | 3 | 2 | 3 | 4.569 | 11 | 0 | 2 | |
| R10 | 500,000 | 0.000 | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.780 | 0 | 0 | 3 | 2.000 | 2 | 2 | 0.000 | 0 | 0 | 0 | 0 | 1.696 | 3 | 0 | 2 | |
| R74 | 610,000 | 5.294 | 1 | 1 | 15 | 0.716 | 0 | 1 | 1 | 4.488 | 18 | 0 | 0 | 11.924 | 19 | 4 | 5.881 | 7 | 11 | 3 | 3 | 1.696 | 3 | 0 | 2 | |
| R81 | 614,000 | 4.502 | 3 | 2 | 9 | 3.284 | 4 | 3 | 3 | 2.719 | 9 | 2 | 0 | 0.000 | 0 | 0 | 3.874 | 0 | 5 | 4 | 6 | 4.708 | 4 | 8 | 2 | |
| R75 | 836,927 | 8.053 | 6 | 3 | 16 | 6.966 | 4 | 6 | 10 | 15.009 | 21 | 3 | 29 | 6.7698 | 11 | 4 | 5.525 | 5 | 7 | 6 | 4 | 6.005 | 15 | 0 | 2 | |
| R87 | 882,000 | 1.628 | 0 | 3 | 2 | 2.199 | 0 | 2 | 4 | 4.504 | 11 | 2 | 3 | 2.4113 | 6 | 2 | 2.636 | 1 | 3 | 6 | 0 | 3.491 | 8 | 0 | 2 | |
| R83 | 918,163 | 25.470 | 12 | 21 | 46 | 7.478 | 2 | 15 | 5 | 4.809 | 11 | 0 | 6 | 2.585 | 4 | 1 | 5.963 | 11 | 7 | 1 | 6 | 1.696 | 3 | 0 | 2 | |
| Σ | | 49.448 | | | | 25.694 | | | | 42.149 | | | | 31.848 | | | 26.161 | | | | | 23.860 | | | | |

Table 4.2b. Value efficiency analysis with output-oriented model

| DMUs | Cost | BCC efficiency | | BCC value efficiency | | | | | | | |
|------|---------|----------------|---------|----------------------|-------|-------|-------|-------|-------|-------|-------|
| | | Efficiency | Ranking | Reference DMUs | | | | | | | |
| | | | | R8 | R13 | R54 | R10 | R74 | R75 | R83 | |
| R8 | 60,000 | 1.000 | 1 | 1.000 | | | | | | | |
| R16 | 80,000 | 0.373 | 16 | 0.341 | | | | | | | 0.029 |
| R36 | 80,000 | 1.000 | 1 | 0.524 | | 0.064 | | | | | 0.244 |
| R13 | 90,000 | 1.000 | 1 | | 1.000 | | | | | | |
| R65 | 90,000 | 0.000 | 18 | | | | | | | | |
| R33 | 120,000 | 1.000 | 1 | | | 0.399 | | 0.152 | | | 0.103 |
| R35 | 130,000 | 0.452 | 13 | | | | | 0.122 | | | |
| R111 | 150,000 | 0.444 | 14 | | 0.443 | 0.103 | | | | | 0.005 |
| R54 | 150,000 | 1.000 | 1 | | | 1.000 | | | | | |
| R23 | 150,000 | 0.711 | 11 | | 0.878 | | | | | | 0.063 |
| R1 | 200,000 | 0.342 | 17 | 0.566 | | | | | | | |
| R86 | 412,000 | 1.000 | 1 | 0.067 | | | | | | 0.688 | |
| R10 | 500,000 | 0.384 | 15 | | | | 1.000 | | | | |
| R74 | 610,000 | 1.000 | 1 | | | | | 1.000 | | | |
| R81 | 614,000 | 0.960 | 10 | | | | 0.299 | 0.002 | 0.699 | | |
| R75 | 836,927 | 1.000 | 1 | | | | | | | 1.000 | |
| R87 | 882,000 | 0.581 | 12 | 0.293 | | | 0.258 | 0.034 | 0.414 | | |
| R83 | 918,163 | 1.000 | 1 | | | | | | | | 1.000 |

Figure 4.2: Fitted line of relationship between efficiency score and cost.



For implemental research, the research with cost in the interval of 100 to around 400 million VND seem to be less efficient than others whose costs are in other intervals. In fact the

activities of research in this interval are very poor (see table 4.2a), particularly the activities in educating young scientists. The research with cost greater than 400 to 700 million VND performs increasing return and constant return to scales and gets efficiency score average to around 0.8 and 0.9. It can be interpreted that implemental research, in reality, requires high cost to cover all its own activities which are intrinsically complicated. It is clear that, for research with low cost, it is hard to cover all activities of research; and for one with very high cost, it requires a large amount of activities which may limit the efficiency of research. So, an implication can be derived that we should design suitable research with cost in the interval of 400 to 700 million VND, should not focus on the research with low cost because of poor activities.

5. Conclusion remarks

In this paper, we propose an effort to standardize the criteria and use methodologies of efficiency analysis for assessing the efficiency of academic research. Both fundamental and implemental research are used to make assessments by employing the traditional BCC DEA model and BCC value efficiency model and using the survey data. The results of two models are rather consistent in terms of tendency of the relationship between efficiency score and cost of the academic research. This partially demonstrates how well the models can work and enrich the literature in using methodologies of efficiency analysis.

However, we need to apply these methodologies to make an efficiency assessment for all research institutes in Vietnam. To do this work, we need a very rich database which can provide precise information of research. We do believe that with the supports of Ministry of Science & Technology and Ministry of Education and Training as well as other qualified institutes and individuals, we will be able to perform further research on this interesting field for academic research.

References

- Charnes A., Cooper W.W., Lewin A.Y. and Seiford L.M (1994). *Data Envelopment Analysis: Theory, Methodology, and Application*. Kluwer Academic Publishers 1994.
- Cooper. W.W, Seiford. L.M., and Tone. K. (2007). *A comprehensive Text with models, Applications, References and DEA-Solver Software*. Springer Publishing House 2007.
- Korhonen P., Tainio R. and Wallenius J., (1999). *Theory and Methodology: Value efficiency analysis of academic research*. European Journal of Operation Research 130 (2001) 121 – 132.
- Korhonen P. and Syrjanen M. (2005). *On the Interpretation of Value Efficiency*. Journal of Productivity Analysis, 24, 197-201, 2005.
- Korhonen P., Soismaa M. and Siljamaki A. (2002). *On the Use of Value Efficiency Analysis and Some Further Developments*. Journal of Productivity Analysis, 17, 49-65, 2002.