

FEMALE ENTREPRENEURSHIP: EVIDENCE FROM VIETNAM

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ABSTRACT

The study investigates motivations, success factors, problems and business-related stress of Vietnamese women entrepreneurs. One hundred and seventy women business owners in Binh Duong and Binh Phuoc provinces were randomly selected for a survey. Findings show that the two most important reasons for business ownership are to increase income and to be one's own boss. Friendliness to customers and good location are considered the leading factors for business success. The most critical problems encountered by Vietnamese women entrepreneurs are reported to be competition and the inability to retain high quality employees. The entrepreneurs also indicate a low level of business-related stress. Results of the factor analysis suggest that women entrepreneurs would benefit from government support and financial market liberalization.

INTRODUCTION

Vietnam has experienced remarkable economic growth since it adopted the economic reform policy known as “Doi Moi” in 1986. From 1990 to 2010, the economy grew at an annual average rate of 7.3%, even counting the recent economic downturn (World Bank, 2011b). The transition from a centrally planned economy to a market oriented economy has been accompanied by a thriving market of private enterprises. It is estimated that around 25 percent of business owners in Vietnam are women and the percentage of women-owned enterprises will reach 30% in 2015 (ILO, 2011). Women enterprises contributed significantly to the job creation and economic growth in Vietnam.

Although women have gained increased economic opportunities, their productive potential is underutilized due to cultural values and an unfavorable business environment. Vietnamese culture is intertwined with Confucian